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***Strategic approach through resources and
servitization to a competitive organization:***

Aligning business operations towards unified way

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ABSTRACT:

Global competition and rapid technological change have intensified the need for organizations to differentiate beyond cost efficiency and operational excellence. This creates the need for organizations to evaluate and adjust strategic approaches that they use and apply to create sustainable competitive advantage. If internal processes are not adjusted as the markets evolve, companies may fall behind compared its rivals especially in service-oriented solutions. This thesis aims to discover what companies need to consider when aligning different business operations as part of their servitization strategy.

To find out how this is applied, this thesis combines the previous theoretical contributions of Resource-Based View and servitization to form a revised theoretical framework that showcases the practical implications that different business operations need to consider when integrating the broader view of strategic approach of the company. Additionally, this thesis sheds the light for organizations in the context of micro-foundational aspects that are crucial for creating a unified organizational culture. This is done by conducting a qualitative case study in a multinational company called ARKANCE which provides software and services for the AEC and manufacturing industries. The primary data for this study was collected from 13 semi-structured interviews. All of these individuals are working in the case company in different roles across the EMEA region.

The findings of this study reveal that successful servitization requires a lot of cross-functional collaboration and cultural adaptation throughout the organization to achieve the desired outcomes in the corporation. By addressing the issues that local entities struggle on a daily basis, the company can align its business operations across the region as part of the vision to become the partner of choice for their customers in digital transformation. In addition, the findings reveal that agile capabilities play a crucial part as the organizational structures are reformed to meet the market needs. This suggests that the alignment of different business operations entail overlapping areas of responsibility, particularly within the more in-depths dimensions of value creation.

To achieve its objectives from a service business perspective, the company must ensure capability management at both individual and organizational levels. This requires identifying employees' competencies and readiness to operate at the customer interface, as well as assessing internal resources and processes to comprehensively meet customer needs. To conclude, a systematic approach to mapping and developing capabilities establishes the foundation for high-quality service delivery and sustainable competitive advantage.

KEYWORDS: Servitization, Resource-Based View, business operations, strategic planning, service business

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TIIVISTELMÄ:

Globaali kilpailu ja nopea teknologinen kehitys ovat lisänneet tarvetta organisaatioille erottua kustannus- ja operatiivisentehokkuuden lisäksi. Tämä luo organisaatioille tarpeen arvioida ja mukauttaa strategisia lähestymistapoja, joilla pyritään saavuttamaan kannattavaa kilpailuetua. Mikäli sisäisiä prosesseja ei sopeuteta markkinoiden muuttuessa, yritykset voivat jäädä jälkeen kilpailijoistaan erityisesti palvelulähtöisten ratkaisujen tarjonnassa.

Tämän tutkielman tavoitteena on selvittää, mitä yritysten tulee huomioida yhdenmukaistaessaan eri liiketoimintoja osana servitisaatiostrategiaansa. Tutkielma yhdistää resurssipohjaisen näkökulman (Resource-Based View) ja servitisaation aiemmat teoreettiset kontribuutiot muodostaakseen tarkistetun teoreettisen viitekehysten, joka havainnollistaa käytännön vaikutuksia, joita eri liiketoimintayksiköiden on otettava huomioon integroidakseen yrityksen strateginen lähestymistapa. Lisäksi tutkielma tuo esiin mikrotaloudellisen tason merkityksen yhtenäisen organisaatiokulttuurin luomisessa. Työn empiirinen osuus toteutettiin laadullisena tapaustutkimuksena monikansallisessa yrityksessä nimeltä ARKANCE, joka tarjoaa ohjelmistoja sekä palveluita AEC- ja valmistavan teollisuuden aloille. Tutkimuksen ensisijainen aineisto kerättiin puolistruktuurisella haastattelumenetelmällä, johon osallistuneet 13 henkilöä toimivat eri rooleissa EMEA-alueella.

Tulokset osoittavat, että onnistunut servitisaatio edellyttää laajaa toimintojen välistä yhteistyötä ja kulttuurista sopeutumista koko organisaatiossa, jotta yrityksessä saavutetaan halutut tulokset. Paikallisten yksiköiden päivittäisten haasteiden ratkaiseminen mahdollistaa liiketoimintaprosessien yhdenmukaistamisen alueellisesti osana yrityksen visiota olla asiakkaidensa ensisijainen kumppani digitaalisen muutoksessa. Lisäksi tulokset korostavat ketterien kyvykkyyksien keskeisiä rooleja, kun organisaatorakenteita muokataan vastaamaan markkinoiden tarpeisiin. Tämä viittaa siihen, että eri liiketoimintayksiköiden välinen yhdenmukaistaminen sisältää päällekkäisiä vastuualueita erityisesti arvonluonnin syvemmillä osa-alueilla.

Palveluliiketoiminnan tavoitteiden saavuttamiseksi yrityksen on varmistettava kyvykkyyksien hallinta sekä yksilö- että organisaatiotasolla. Tämä edellyttää työntekijöiltä osaamista ja valmiutta toimimaan asiakasrajapinnassa sekä sisäisten resurssien ja prosessien ymmärtämistä, jotta asiakastarpeisiin voidaan vastata kokonaisvaltaisesti. Näin voidaan todeta, että systemaattinen lähestymistapa kyvykkyyksien kartoittamiseen ja kehittämiseen luo perustan korkealaatuiselle palveluliiketoiminnalle sekä kestäväälle kilpailuedulle.

KEYWORDS: Servitization, Resource-Based View, business operations, strategic planning, service business

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1 Introduction

In today's highly competitive and globalized business environments, organizations face increasing pressure to differentiate themselves beyond cost efficiency and operational excellence. This drives the need for innovation and alignment of operational efficiency for companies as they try to transform their strategic approach to become more sustainable from business perspective in the long run (Deloitte, 2025). Over the past decades, academic research has accumulated a significant amount of data on various strategic approaches that companies and organizations utilize to create sustainable competitive advantage from internal and external resources. This has particularly elevated the role of the Resource-Based View and servitization in the study of service-oriented business strategies. Servitization has become a central theme in industrial research, with the manufacturing sector serving as a prominent example due to its advanced focus on production efficiency and operational optimization (Xing et al., 2023). As service elements increasingly permeate various industries, it creates an intriguing aspect to explore the potential for competitive advantage beyond manufacturing, especially in sectors where service integration plays a critical role in value creation (Ulaga & Kowalkowski, 2022).

Leveraging servitization and internal resources require strategic alignment to ensure that operational activities support organization's long-term objectives. In the absence of clear strategic guidance, service-oriented business models risk becoming isolated initiatives, limiting their potential as a source of competitive advantage (Baines et al., 2017; Kowalkowski et al., 2015). By doing so, servitization success depends on aligning organizational capabilities, governance structures, and operational processes with overarching strategic goals (Vaattinen & Martinsuo, 2019). Without such alignment, companies may fail to capture the intended value from service-based offerings, resulting in fragmented solutions and missed opportunities for differentiation (Gebauer et al., 2021).

Additionally, because the topics of Resource-Based View and servitization are often part of organizations high-level decision-making, implementation and effects of understanding of that process can create difficulties on an individual level within an organization.

These limitations of understanding may limit the implementation on a micro-foundational level as individuals try to adopt new processes that affect their daily operations (Xing et al., 2023, p. 10). Additionally, as these new processes are integrated, the relationships between operations becomes increasingly important (Ruiz-Martín & Díaz-Garrido, 2021, 506-507). This increases the role of managers driving the process forward as well, since cultural and industry-level differences may exist within the organization (Biesinger et al., 2024).

This study focuses on the alignment of different business operations. The operations included in this study are service, sales, and strategic operations. In this context, these different operating functions work as part of a global company that has grown rapidly in recent years through acquisitions and successful strategic developments. However, with the additions of new staff from the acquisitions, the organization needs to adjust its strategic approach to a unified way across the globe. As the changes in strategic and operational level are multi-faced and require a lot of time, having a strong vision on how that can be achieved is necessary for the company. To find out what the company needs to consider across these different operations in order to achieve its strategy, this thesis focuses on finding an answer to this following research question:

How does a company align sales, service, and strategic operations capabilities to enable servitization across organizational functions?



Figure 1. Research question alignment.

This thesis includes five sections. After this introduction, the thesis introduces the literature review which focuses on the theoretical background of Resource-Based View and servitization. The literature review ends in a theoretical framework which is constructed by the two main topics of the section. This is followed by methodology section where the research methods and the used data are presented and the connection between the theory and the study is justified. After that, the fourth section focuses on the findings of this thesis from the conducted interviews. Lastly, the conclusions are discussed in the final section where the theoretical contributions, managerial implications and the future research regarding this topic is presented.

2 Literature review

The literature review of this thesis combines the theories of Resource-Based View and the phenomenon of servitization and service business. By analysing the key components of the Resource-Based View, this thesis brings elements of utilizing firm's capabilities into its service business strategy. After these two perspectives are introduced from previous research by academic researchers, these topics are conceptualized into a theoretical framework that combines them into a research work for this study.

2.1 Resource-Based View

The Resource-Based View has been part of strategic management for many years now and it states back to the 1960s when Edith Penrose published a book called "*The Theory of the Growth of the Firm*". In this book, Penrose discussed the firm's resource utilization and how firms are a collection of resources that can be optimized as productive services. By allocating these resources accordingly, firms can find competitive advantage inside their own organisation and use them as possibilities to create a bundle of services for various operations (Penrose, 1963, pp. 67-68). These early suggestions of resource utilization have later expanded into different theoretical approaches about Resource-Based View, and as a result, it is recognised as a paradigm in the field of strategic management (Cooper et al., 2023).

In strategic management, the growing popularity of the Resource-Based View is highly recognized, marking a return to examining the firm's internal core. According Hoskisson et al. (1999), this framework encompasses foundational ideas, such as defining resources broadly to include a company's physical and non-physical assets. Furthermore, Resource-Based View involves specialized analytical tools, like the resource-product matrix, created analogously to the classic growth-share matrix to manage resource use and development. Perhaps most importantly, Barney's (1991) comprehensive framework, established four characteristics required for resources to generate sustainable competitive advantage: "value, rareness, inimitability, and substitutability" (Hoskisson et al., 1999).

One of the key elements of the Resource-Based View is that the organization is heterogeneous which makes the resources and capabilities of the company unique compared to others. This allows the organization to gain competitive advantage to its rivals and perform profitable in different markets (Peteraf, 1993). Chung (2022) discusses the importance of investments in intangible assets which highlights the contributions of Resource-Based view in competitive environments. As unique resources are in the core of Resource-Based view, research about internal and external resources has become more important for companies as they evaluate their strategic approach through Resource-Based View.

In addition, Resource-Based View's attributes to strategic management pushes to focus on internal resources and capabilities rather than external market conditions. Connor (2002, pp. 307-308) discusses the "inside-out approach" which determines that the organizations internal capabilities create sustainable competitive advantage to a company. As a result, organizations with unique structure and processes can create the value to its customers with effective approaches compared to its competitors. However, Locket et al. (2009) argue that Resource-Based View lacks on a clear hypothesis about its measurability compared to other strategic theories such as Transaction Cost Economics. As an example, firms can differ from one another due to their capabilities of resource utilization and organizational learning. This makes it difficult to measure the exact overall value that the firm can deliver to its competitive advantage. Additionally, even though Resource-Based View is considered a heterogeneous since firms possess their own unique resources, studying homogeneous fields is not comparable for Resource-Based View.

Priem and Butler (2001) provide a detailed critique suggesting that the foundational structure of the Resource-Based View is not completely developed into a formal theory. As their critic mainly focuses on the static aspects of the perspective, evaluation of the topic has required more in-depth analysis on the utilization of resource evaluation. To counter this critique, Kim et al. (2015) studied resource-based theory and organizational

learning theory and their relationship regarding new multinational enterprises strategic approach. This study illustrates practical implications on utilizing cross-country resources, which shows that by analysing country specific capabilities, companies can utilize existing strategic approaches into their advantage and generate effective mechanisms that can be applied to the company strategy.

By taking into account the different views that the Resource-Based View offers from previous research, it is possible to take the overall view into account and look at the topic objectively. As researchers have found clear links that heterogeneity of firms allows them to create sustainable competitive advantage, firms tend to try to find themselves in situations where they gain edge compared to their rivals in the market. By doing that, having the knowledge of the firm's resource comes key to find the favourable situations in the market (Locket et al., 2009, p. 11).

According to Hitt et al. (2016) nowadays Resource-Based View has evolved along with the changing business operations and strategic approaches that firms use. Implications from operations management perspective have changed the focus more over to the dynamic processes compared to the static resource ownership. Role of managers have increased regarding the Resource-Based View also, since resources can and, in some cases, need to be optimized in various operational areas of the firm. This means that managers need to make decision on which resources are available and structured deeply into the business operations and when external resources are necessary and relevant to be used. Bromiley & Rau (2016) suggests that applying the operations management into the perspective of Resource-Based View and resource utilization, the theoretical aspects of this view continue and evolve in the field of strategic management as research in this field poises new layers to Research-Based View.

2.1.1 Core competencies in Resource-Based View

To dive deeper, the key importance in Resource-Based approach is to analyse a firm's competencies in order to get a better understanding of its capacity to create competitive

advantage. Competencies link up firm's own asset knowledge and understanding of value creation, which in return, helps the overall performance of the firm to create value to its operations (Assensoh-Kodua, 2019, p. 143). Competencies are important for firms to understand because they give knowledge about how they differ for their competitors. Additionally, if a firm can differ and identify its competencies into core level, knowing the unique core competencies helps the firm to identify its differentiation factors (Long & Vickers-Koch, 1995, pp. 11-12).

Kontu (2019) discusses in his doctoral thesis about the core competencies as a firm's strategic possession that link up to the profitability within service business. As prior research indicates, one of the key competencies of the firm is the management, which has an important role to deploy and share existing competencies within the organization. In addition, this connects competencies and assets to risk assessments as Teece (2007, p. 1328) points out. By evaluating new innovations and investments, firms analyse their asset capability to meet the requirements that new opportunities might bring. Without having the knowledge of competencies, unaware firms can find themselves in situations where new business opportunities are not evaluated enough from asset perspective, which in return, can create negative results in new business opportunities.

Another important factor for firms to consider is to understand and determine its tangible and intangible resources and evaluate their impact on investing on the firms' operations (Shirodkar & Mohr, 2015, pp. 802-804). Both of these two resource definitions help firms to define and separate its resources from physical and non-physical. Tangible resources are assets that are physically defined which makes them easier to copy but are still required to possess when defining core competencies. Intangible resources on the other hand make the difference regarding competitive advantage and creation of core competencies for firms. Intangible resources are created overtime as it is the perception of others about the firm. Intangible resources help firms to build knowledge from internal and external perspectives as they integrate employees to work according to the defined strategy while, at the same time, effect on firm's ability to operate in the market

differently compared to other firms (Kontu, 2019). Intangible resources allow firms to make its competitive advantage more sustainable in the long run. Teece (2014) discusses about the differentiation of firms through resources and capabilities and highlights the importance of intangible assets in changing business environments. By having the intellectual capital, knowledge about the evolution of technology, strong adaptation towards the organisational culture, and internal as well as external relationships, firms are able to construct a unique core competency that competitive firms cannot copy due to its heavy integration within the business operations and strategic approach.

To illustrate the evaluation of firm's competencies, Barney (1991) developed the VRIN/VRIO model (Figure 2.) which is a static resource evaluation tool that helps firms identify and create sustainable competitive advantage through their competencies. According to Barney, (1991, pp. 106-111) for a firm to have sustainable competitive advantage, they must have resources that meet these four criteria. To be a valuable (V) resource, firm's must have a possibility to adjust and adopt a resource into its strategic approach in an efficient manner. By enhancing these attributes, firms can exploit business opportunities while maintaining competitive advantage. By adding rareness (R) into the value perspective, firms can create unique solutions to meet the market criteria more effectively than their competitors. In other words, if many firms possess the same resources, they are not considered rare. To make resources more unique, firms need to have inimitable (I) internal operations that their competitors cannot meet and duplicate. These can be historical attributes of a firm, causal ambiguity that is not visible from business operations, and a social complexity that has formed within the organizational culture. Finally, for resources to have sustainable competitive advantage, a firm must possess a non-substitutable (N) resource that cannot be strategically comparable or in another way to be substitute by another organization. However, afterwards Barney (1995 pp. 56-57) introduced a different perspective to the non-substitutable resource which was the organization (O). This means that when a company exploits all the previous capabilities in an organized way and they are integrated into the organization itself, a company can create a unique sustainable competitive advantage.



Figure 2. VRIO Model.

The evaluation of competencies changes also in a modern-day business. Due to the heavy competition and merging of markets, finding new competences that differentiate firms from one another requires new perspectives. One topic that needs to be addressed is the sustainability and green economics. Big and global companies need to show efforts in sustainability if they want to meet modern day standards regarding sustainability (Eizaguirre et al, 2019). According to Qu et al. (2022 pp. 539-543) green core competencies refer to an organization's ability to integrate environmental management and green innovation across various functional departments which foster sustainable competitive advantage. These green core competencies are shared across the firm in a same way that other learned knowledges are embedded in core business operations. By incorporating green core competencies, organizations can enhance their capacity to integrate new technologies, improve production processes, and adapt to sustainability-driven market demands that many firms seek. Furthermore, green core competencies facilitate access to new markets, increase the value of customer offerings, and create barriers to imitation, thereby strengthening an organization's strategic positioning. As a result, firms with strong green core competencies are better positioned to implement sustainable practices, develop green products and services, and achieve long-term environmental and economic benefits.

2.1.2 Capabilities in Resource-Based View

To extend the value creation process from core competencies, organizations' can evaluate their capabilities to differ from competitors. This refers to strategic and dynamic capability assessment. Huikkola et al. (2022) discusses the interplay between these two capabilities in a way that the dynamic aspect is an extension to the existing static capabilities that are also known as strategic. The link between these two capabilities unlocks the potential for organizations to understand how they create value internally through their own resources. To understand how the dynamic aspect can be applied to existing capabilities, the strategic view is important distinguish before that. For this, Paiola et al. (2013) researched strategic approaches for capability development that manufacturing firms address as they implement services from strategic perspective to enhance their capabilities to provide more advanced solutions for their customers. To make a decision on which capabilities the organization considers strategic, is important since the strategic perspective is often considered to be long-term.

When it comes to strategic choices and evaluations, organizations top management need to show commitment to the capability assessment. This requires identifying the strategic drivers that comes from the resources that the organization can utilize at their disposal. By evaluating them through risks or market segments, the identification of the right capabilities becomes crucial to the organization from strategic perspective which in return can be later implemented to more advanced solutions (Storbacka, 2011). As the strategic capabilities are connected to meet the external opportunities, the reconfiguration of these capabilities can create the dynamic aspects for them (Spring & Araujo, 2013).

As Huikkola et al. (2022) research shows that the dynamic capabilities are the tools that reconfigures the strategic capabilities, it is evidential to dive deeper to understand the role of dynamic capabilities. According to Teece et al. (1997), dynamic capabilities are competencies that can "adapt, integrate and evolve" into the market demand while making sure that the adjustments follow the strategic approach of the firm. As a result,

dynamic capabilities shape the firm's resources towards more unique solutions that helps them to gain competitive advantage into their core business. Additionally, dynamic capabilities help firms' position themselves into the market with specific approach that other competitors might not be able to do as efficient as them.

Eisenhardt & Martin (2000, pp. 1107-1108) define dynamic capabilities as a advancement of strategic and organizational processes that enable firms to modify and reconfigure their resource base to develop new value-creating strategies in response to evolving market conditions. Grounded in the Resource-Based View, these capabilities extend beyond static resource advantages by facilitating continuous adaptation and innovation, thereby sustaining competitive advantage. To conceptualize this, Cao et al. (2025) researched the theory of dynamic capabilities in context of digital transformation. This research relates to Eisenhardt & Martin (2000) definition on continuous innovation and adapting the organizational culture from the perspective of digital transformation. As digital transformation has increased its role as part of organizational culture, this allows firms to find new innovative outcomes that benefits the firm's competitive advantage. By integrating new digital technologies as capabilities to improve efficiency, firms' valuable assets become more advanced which in return unifies the organizational processes to create unique competitive advantage.

From strategic business model perspective, dynamic capabilities can be defined as firm's way of creating value through strategic business operations and the existing static capabilities. To illustrate that, Teece (2018) created a business model that simplifies the core focus competencies that he called sensing, seizing and transforming (also known as reconfiguring) (Figure 3.). These three competencies allow firms to identify opportunities and problems in their strategic capabilities as they focus on finding innovative solutions within the organization. To extend this, Töytäri et al. (2018) discussed the extension of dynamic capabilities to network level through smart services and evolvement of capabilities. This is also connected to the prior discussion of Cao et al. (2025) of organizational culture and managerial implications. According to Töytäri et al. (2018), by implementing

additional capabilities that create value such as smart services, companies can reconfigure their existing capabilities in a more efficient way as they try to integrate a strategy in organizational level. This implementation requires managerial mindset as business operations continuously evolve as markets and industries change in modern day. Additionally, managers have a big role making sure that capabilities of the company are utilized and understood by individual contributors of the organization.

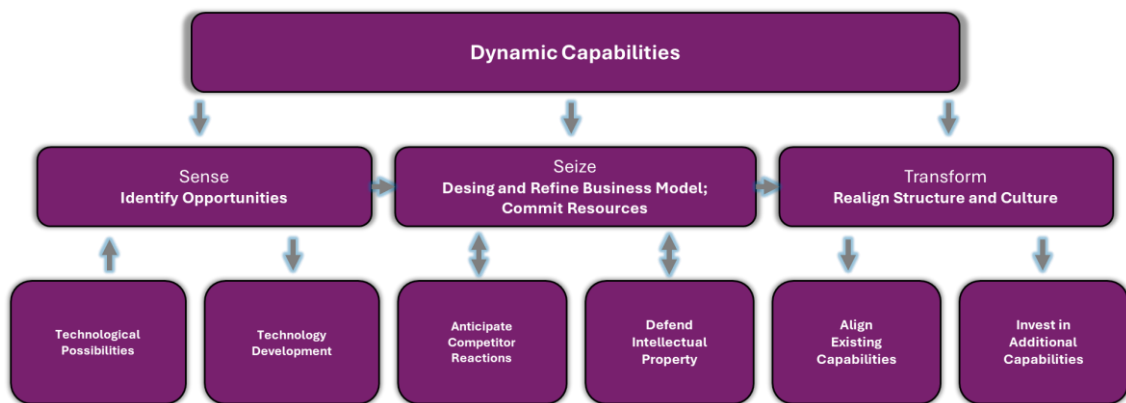


Figure 3. Simplified schema of dynamic capabilities, business models, and strategy (Teece, 2018).

From a management perspective, dynamic capabilities are fundamental because they create the foundation for competitive advantage that is needed to adopt with changing market conditions. According to Teece et al. (1997), organizations have three key process concepts to consider: “static, dynamic, and transformational concepts”. By evaluating these concepts, management of firms can develop and continuously improve their effectiveness when faced with environmental shifts. This becomes increasingly important when managers adjust their employees to meet the long-term strategic plans of the organization. Building on this, Helfat and Peteraf (2009) offer a developmental view of dynamic capabilities which helps clarify how dynamic capabilities evolve and interact with organizational routines, offering managers a more structured lens through which to understand strategic adaptation. This perspective supports the notion that effective management of dynamic capabilities is not only about reacting to change but also about

proactively shaping the organization's long-term trajectory through informed and deliberate capability development.

In a practical level, Eisenhardt and Martin (2000, pp. 1108-1110) identified common features, or 'best practices,' crucial to effective dynamic capabilities, such as product development. These include the use of cross-functional teams to integrate varied expertise and the implementation of routines, like brainstorming sessions, to foster joint experience and shared language among team members. These practices serve as structured mechanisms that enhance organizational learning and adaptability. Arndt & Bach (2015) further support this view by framing dynamic capabilities within an evolutionary paradigm, where such routines are shaped and refined through variation, selection, and retention. This perspective underscores that sustainable competitive advantage arises not only from the presence of best practices but from their continuous evolution in response to environmental and strategic shifts.

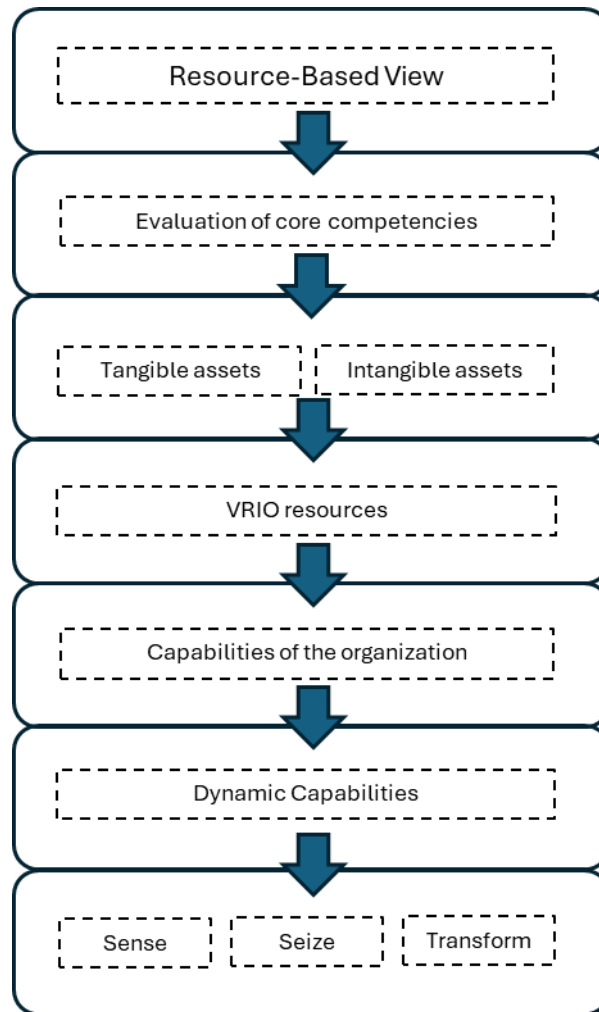


Figure 4. Resource-based view towards sustainable competitive advantage.

2.2 Servitization

The next theme of the thesis, which is included in the theoretical background, is servitization and the phenomenon of service business. Servitization is becoming increasingly more popular topic due to the expansion of markets and new competitive factors that firms need to consider. By focusing more on servitization, firms can shift the mindset from traditional product offerings to more complete and innovative solutions that can be beneficial for both customers and the firm as well (Xing et al., 2023). This strengthens the understanding of the current customer relationship by focusing on the internal business operations of the customer. By doing so, gaining knowledge about the customer

business needs helps firms to transform their own service delivery into higher lengths (Baines, 2015, pp 9-10).

2.2.1 Definition of Servitization

Going into the definition of servitization, Gebauer et al. (2021) discusses the phenomenon of servitization and how firms have shifted towards business models that integrate services as part of their product offering. Additionally, Baines & Lightfoot (2014, pp. 2-6) states that especially in manufacturing sector, servitization has increased its position in strategic perspective as this combination of products and services open doors for more advanced solutions that are beneficial for companies to conduct. As both of these research groups highlight the integration of products and services, recent studies have started to increase the importance of digitalization as part of this discussion. Kohtamäki et al. (2020) provides added value to understanding how digitalization effects general knowledge about servitization and how companies can improve their financial performance especially in industries where competition is intense and similarity of products narrows the value that is being delivered to customers.

In addition to servitization, as digitalization is becoming more common in many different industries, researchers have become evaluating the phenomenon of digital servitization. Shen et al. (2023) discuss in their research about this phenomenon and how different digital tools can be used to push companies towards servitization. This means that implementing digital tools and platforms as part of the shift towards service-oriented strategies, companies can utilize and define their processes with the help of technology. As these changes can be internal, studies show that this digitalization enablement can be used to create ecosystems for customers, where product and service are combined to connect and optimize complete solutions. This kind of implementation of digitalization and servitization can allow companies to explore new fields as well as shape existing ones that they currently operate. As competition increases in industries and new solutions are coming to markets, digitalization can offer unique opportunities for companies to explore.

Baines et al. (2007) discusses about product service-systems, which some researchers view as a synonym for servitization. However, they emphasize servitization more as a whole concept where the product itself becomes reliable for the service in order to work. In other words, product and service components are connected in a way that these two aspects form a solution which the customer is willing to pay for, and the asset becomes available for them (Figure 5, a). In product-service systems, researchers focused on the ownership of the end-product. In this case, the company has the product and a service that makes a functional solution, but in the end the customer will receive only the solution or the end-result of the solution (Figure 5, b). By understanding the different ways how these kinds of combined solutions a firm can deliver, utilizing resources in a suitable business model can help companies to identify a suitable operation.

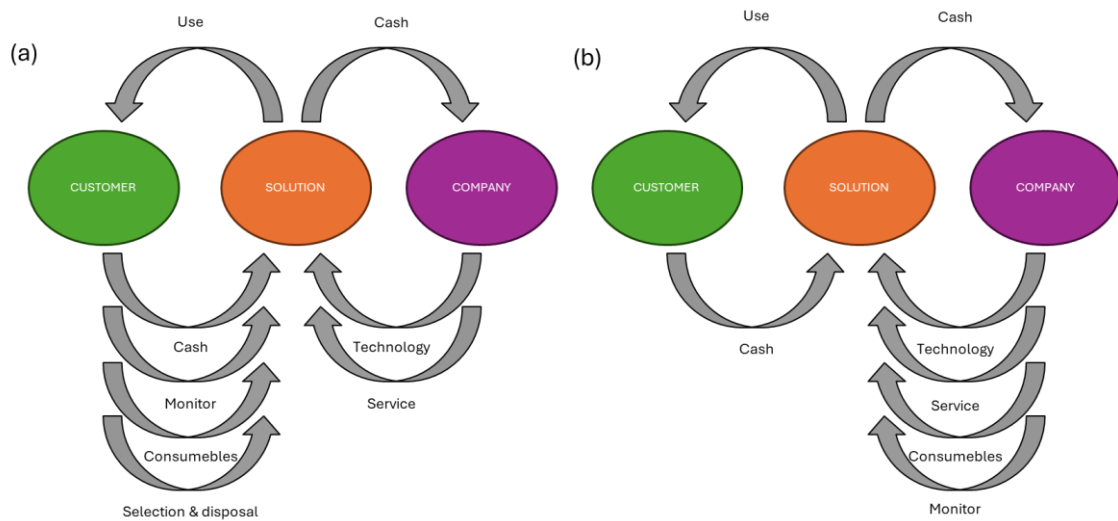


Figure 5. Example of different types of service solutions (Adapted from Baines et al., 2007, p. 5).

2.2.2 Implementation of Servitization

However, servitization does not happen within a company overnight. Gebauer et al. (2010) discusses that by changing the corporate values and cultures, firms can help employees to integrate and apply service-oriented working culture overtime while making sure that the ongoing business operations keep on going. This shift requires change in

the organizational level and, depending on the structure of the firm, it may be limited to do, if the firm's capability to adopt to new change is not possible. To address this issue, Maheepala et al. (2018 pp. 51-56) discusses the measurements of servitization with four key elements in their research and how management of a company can improve the implementation of servitization (Figure 6.). By addressing these elements, managers can evaluate different dimensions within the company and through this, address the necessary improvements that the company needs in order to make strategic changes in an organizational level. By considering these structural elements of the organization, firms need to align and apply correct service strategies if they see the change towards more service-oriented business beneficial to them.

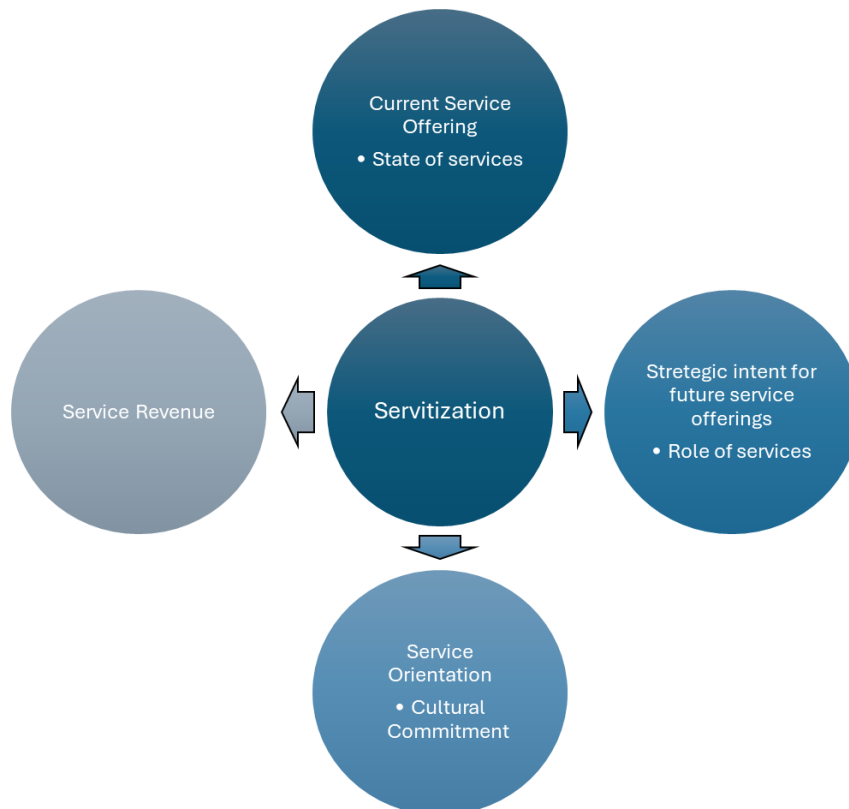


Figure 6. Dimensions of servitization (adopted from Maheepala et al. (2018, p. 55).

Companies shifting from product-focused models to service-oriented approaches need to consider challenges that the organization might face in this kind of situation. Initially,

they must evaluate whether the market conditions are favourable for such transition. According to Raddats et al. (2018, pp. 133-135) this involves understanding customer behaviour and navigating local regulations that may either facilitate or limit service-based offerings. Moreover, transforming the company's identity, from a product supplier to a service-driven organization requires new leadership mindsets, a shift in organizational culture, and updated competencies. Structural adaptation is also necessary as firms need to decide whether service functions should be embedded within current business units or developed through independent service-focused divisions. Finally, operational systems must evolve to support service delivery. However, according to Töytäri et al. (2018), the integration of systems may require managers to redefine their previous learned mindset as new structural adaptations change the previous ways of work in the company. These mindset of conflict issues can cause barriers to innovation, but on the other hand, it can expose those as well. This can help the company to address challenges that the service-oriented approach unveils.

As these kinds of challenges are natural growing pains for firms, understanding of resistance from organizational level can help firms to align their strategic approach to match their existing resources to the new approach of offerings. Lenka et al. (2018) introduce four types of resistance elements in servitization (Figure 7.) which can be evaluated through Töytäri et al. (2018) work. As strategic resistance includes adaptation of business models and evaluation of financial performance, firms' organizational mismatch of capabilities can lead to a conflict of interest from employee level if the earning model is not considered in the shift towards a new business approach. This is also applicable for Lenka et al. (2018, p.330) precision about structural resistance as wrong organizational and incentive structure may push employees to focus on short term achievements rather than complex service-oriented totalities (Töytäri et al., 2018, p.771).

As for culture resistance, Töytäri et al. (2018) perception about internal mindset barriers align directly through cost logic to value logic. As product-based solutions are more price sensitive, especially if the product is available from elsewhere, the mindset within an

organization can be bound to other provided solutions. This indicates that the change of culture within the organization is crucial from strategic point of view of the organization. Lastly, Töytäri et al. (2018) highlights procedures of the processes and systems that the organization is built on. If these procedures are not in line with the shift towards servitization, integration of new approach model may create a mismatch in the development face. By addressing these challenges in the implementation of servitization, companies can avoid situations where internal resistance would cause a negative impact on functionality of the company.

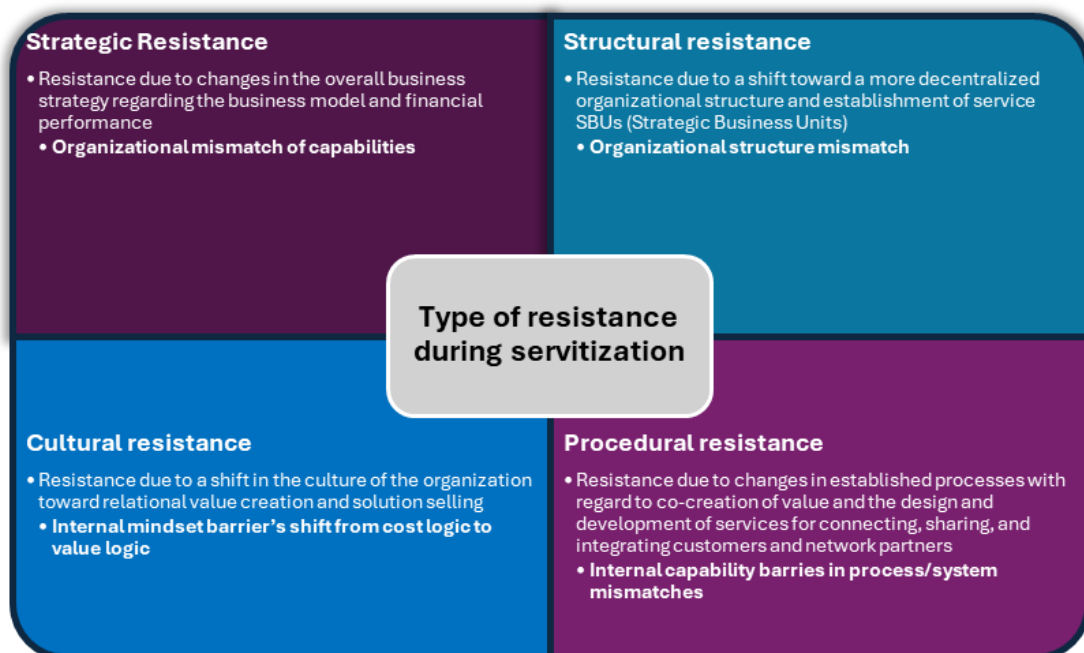


Figure 7. Types of resistance during servitization (adopted from Lenka et al., 2018, p.330 & Töytäri et al., 2018).

Implementing servitization often requires organizations to undergo significant structural and cultural transformation, where standardized processes and capability development play a critical role. Whether the company acquires resources by acquisitions or smaller investments, these strategic choices require repositioning or adjustment of strategic point of view (Rabetino & Kohtamäki, 2018, pp. 256-266). In this context, Oyelakin et al. (2025) discuss, how ISO standards can provide valuable support by establishing clear frameworks for process control, performance monitoring, and continuous improvement.

Organizations that adopt ISO standards tend to develop stronger internal capabilities and clearer accountability mechanisms, which in return, support the delivery of consistent and value-added services. These standards help firms institutionalize new routines and practices, aligning operations with service-oriented goals and reinforcing strategic initiatives through process discipline and measurable outcomes. Thus, ISO frameworks can act as enablers of servitization, particularly when service delivery depends on cross-functional coordination, compliance, and the reliable performance of extended offerings.

2.2.3 Service sales

To determine the operational drivers in servitization, service sales are the actions that drive the servitization strategy in a company. This means that the way the company wants to conduct sales operations will result on how servitization spreads across the whole firm and how employees assimilate this strategic approach as part of their organization culture (Kowalkowski et al., 2025). According to Ulaga & Kohli (2018) as the market landscapes evolve constantly, vendors who can provide variety of solutions need to have an operating sales organization that finds the right ways to convince their customers. This pushes salespeople to focus more on the customer side and especially on solutions and outcomes that benefit the customers' needs. According to Wirtz & Kowalkowski (2023, pp. 276-277), value creation is crucial for service sales operations as sold services deliver outcomes that benefit the customer's operations. By focusing on delivered outcomes, such as reducing costs or time consumption, provided services focus more on customer's perspective which in return capture the value that the customer is looking for.

For a firm that is trying to push more on customer centric approach and find ways to provide additional services to its customers, shift from product sales to service sales is a time-consuming adaptation. Selling hybrid offerings, which combine products and services, requires understanding of customer needs and engagement of a broader and deeper network of stakeholders within both the vendor and customer organizations (Ulaga & Loveland, 2014). Moreover, the focus of sales activities evolves from closing

individual deals to fostering long-term customer relationships that benefit both parties which results in growth. This value-based mindset requires individual salespeople to have capabilities to identify these signals. However, the organization should provide support to this by giving the necessary tool to these salespeople (Salonen et al., 2021, pp. 154-155).

High-performing salespeople in hybrid contexts often exhibit personality traits that differ markedly from those in traditional product sales. These include traits such as strong learning and customer service orientations, motivation, and teamwork orientation. By learning and educating themselves, firms as well as individual salespeople can adopt to this kind of mindset which would have significant impact on organizational culture and strategic change of the firm (Ulaga & Loveland, 2014). However, as these traits are adopted, the requirements for change in processes and routines within the organization increase as this causes longer sales cycles and additional information needed from the customer (Töytäri, 2015, pp. 257-258).

The strategic transformation toward profitable service sales requires both prescriptive guidance and empirical validation. Reinartz and Ulaga (2008) outline a four-step roadmap which is recognizing existing services, "industrializing the back office", building a service-oriented sales force, and "focusing on customers' processes". This emphasizes organizational restructuring and capability development. Complementing this, Faramarzi et al. (2024) provided meta-analytic evidence that servitization enhances firm performance primarily through mechanisms such as customer centricity, relationship learning, and operational efficiency, while cautioning against cost escalation from excessive customization. Together, these perspectives suggest that successful servitization and execution of service sales are not merely about adding services but involving a staged approach to monetization, process standardization, and customer-focused innovation which is supported by organizational learning and strategic alignment. This synthesis underscores that firms must balance efficiency and customization while progressively deepening service offerings to achieve sustainable profitability in service sales.

As companies implement value driving factors to service sales and to the process of servitization, the effects of that implementation are more visible in the long run. Ulanga (2018, pp.80-83) discusses the impacts of outcome focused mindset within sales which offers companies greater chances to succeed long-term business opportunities. As service sales offer growth possibilities as well as stickiness to customers, finding value drivers for customers becomes increasingly important for companies to address in the early stages of servitization process.

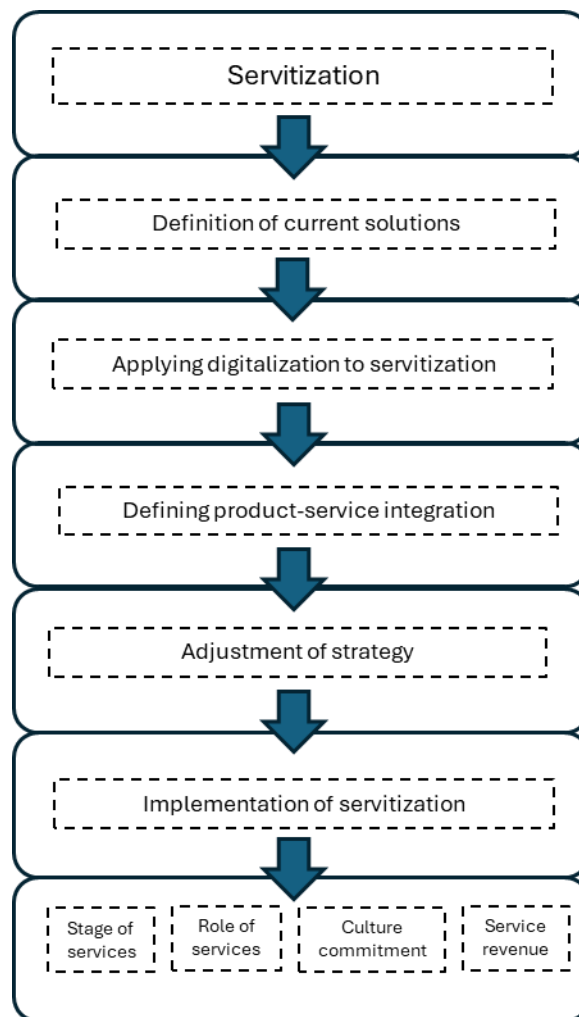


Figure 8. Servitization towards sustainable competitive advantage.

2.3 Theoretical framework: Strategic approach through resources and servitization to align business operations to sustainable competitive advantage

This section combines the two viewed theoretical phenomena in the literature review and illustrates how they align together as companies try to create sustainable competitive advantage (Figure 9.). As both perspectives generate sustainable competitive advantage, mirroring them through value creates the foundation for the proposed research question. Notably this framework does not include the role of business operations (sales, service & strategic) through this value creation process since it focuses on the organization strategy itself. However, since the research question of this thesis focuses on the alignment of these operations' capabilities, this thesis addresses these issues in the findings section. Through the findings, they are later added to the revised theoretical framework.

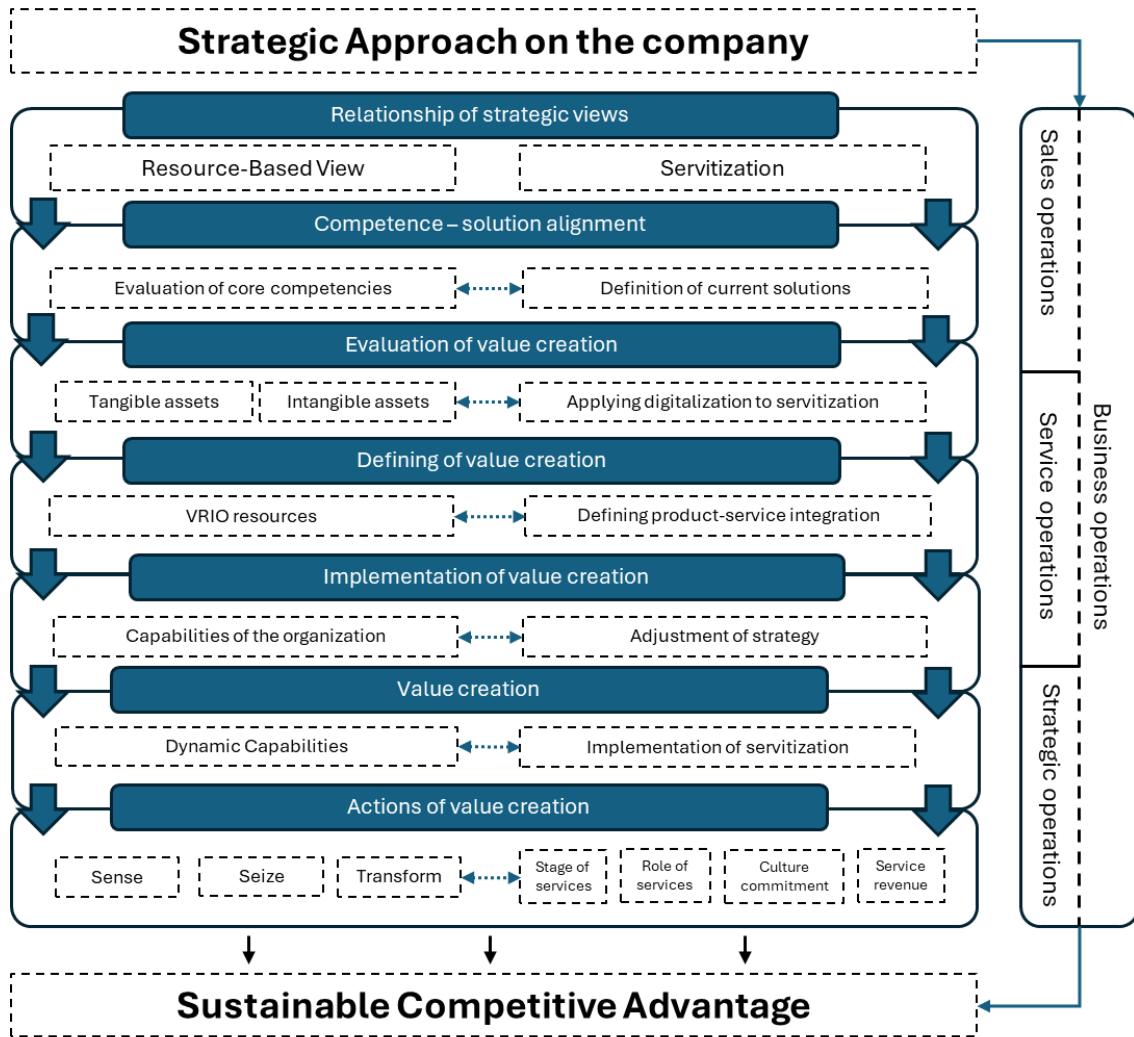


Figure 9. Theoretical framework: Strategic approach through resources and servitization to align business operations to sustainable competitive advantage.

3 Methodology

This section discusses about the selected methodology for this thesis. The research approach focuses on the examining the selected approach for the used methods which is then followed by an introduction about the case company in this thesis. After that, the data collection and the analysis is defined, and the methodology section is summed up by assessments regarding the quality of the used data.

3.1 Research approach

In the case of analysing a firm's resource understanding and strategic adjustments, it is important to define the right approach to collect the data for the research itself. To do this, the thesis uses Saunders' Research onion model (Figure 10.), to define the right way to structure the thesis and define the scope. Saunders (2023) defines the layers of the model to six different stages of research design process. These stages are philosophy, approach to theory development, methodological choice, strategy, time horizon and procedures and techniques. Each stage offers elements to help define the structured process of the research.

This thesis is viewed from the interpretivism perspective, as it focuses on the interpretation of social perspectives and organizational point of view (Saunders, 2023, pp. 150-151). As this thesis studies the phenomenon of Research-Based View and servitization, they both emphasize the complexity of organizational understanding and development. Furthermore, it considers social challenges while taking into account individual contributions that create the organizational culture within the community. Additionally, this approach allows to generate a reviewed framework that emergers from the collected data and is applicable to the used literature (Eisenhardt et al., 2016, pp. 1113-1114).

The next stage of the research approach is the approach to theory development. This stage defines the how the theory is developed in the applied research. As Saunders (2023) illustrates, the approach can be deductive, inductive or abductive. The deductive focuses

on the development of a theoretical framework based on existing literature, which is followed by the formulation of hypotheses that are empirically tested through data collection and analysis. The inductive approach, on the other hand, begins with the collection of qualitative data, from which patterns and themes are identified to construct new theoretical insights. Lastly, the abductive approach is considered more flexible and iterative process that observe different themes or patterns which is poised as an agenda to create new or modify a theoretical contribution. For this thesis, the induction approach was applied as the data collection is greatly involved to identify the patterns of the theoretical phenomenon and applied the collected data to the revised framework later on.

For methodological choice, the thesis is structured with mono-method qualitative study. This was clear from the start as the plan was to interview different employees from managerial positions, to get an overview on how different countries view and function as part of the case company strategy. This was suited to meet the needs of thesis better compared to a mixed or multi-method study as it allowed to focus on specific phenomena within the organization and gather data by respondents own words (Saunders, 2023 pp. 181-183). Additionally, as qualitative studies are usually formed from the inductive perspective, applying this approach to the thesis performed better to meet the needs of this thesis (Sahay, 2016, p.4).

After the methodological choice, it was natural to select the case study as the primary strategy for the thesis as the case company was already selected and the theoretical phenomenon was ideal to approach it from case study perspective. According to Yin (2003, pp. 10-12), a case study refers and is suitable for studies that focus on real-life cases where a studied phenomenon or a concept of theory is evaluated and/or applied. Saunders (2023, pp. 206-207) adds, that if a real-life company has applied a strategy to its operations, studying that with a lens of applicable theory, a case study can provide important additional value for the company on how their applied strategy is working and what they need to consider in the future. Even though case studies have received criticism due to generalizing the aspect of theoretical contributions, it offers a great way to extend

theory contributions as long as the studied theories are clearly described and will not leave too much presumptions to readers.

As for the last two layers of the research onion, the time horizon of the thesis is considered cross-sectional, as the studied research topic is focused on a current stage of an organizations' strategic shift and it studies with phenomena that is an active at this current stage (Saunders, 2023, pp 212-213). For the procedures and techniques, the considerations were made with the help of the case company. This included validating the data collection and interview approach and evaluating the ethics of the formed interview questions. The data collection is later described in the section 3.3. Data collection.

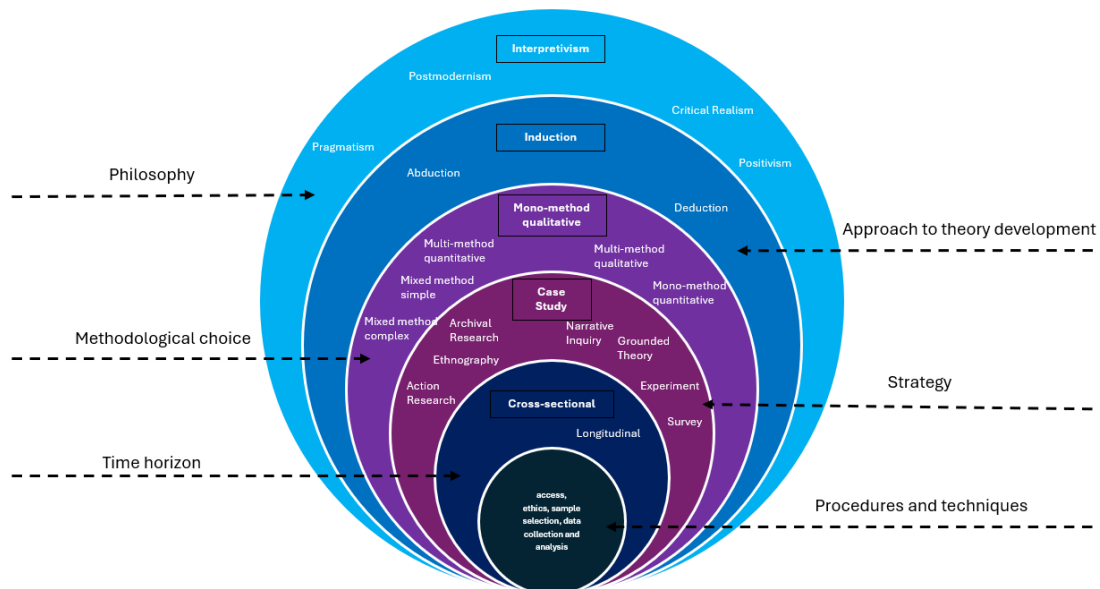


Figure 10. Research onion (Saunders, 2023, p.130).

3.2 Case company

The case company of this study is called ARKANCE which is a part of a French family group called Monnoyeur. Founded in 1906, Monnoyeur is spread into different fields and one of them focuses on the construction digitalization where ARKANCE operates in. ARKANCE is established in 2018 and in the past 7 years, the company has bought various

entities all over the world to form a single organization. ARKANCE offers a variety of software to different fields in architecture, engineering, construction, and manufacturing industries. Additionally, ARKANCE offers services around its software or in individual cases that require understanding of digital platforms (Monnoyeur, 2025).

The company operates worldwide and has sections divided into three areas, America, EMEA and India & Australia. Due to its rapid expansion from acquisitions, ARKANCE have become the largest software solution provider in the field in recent years. ARKANCE product catalogue includes reselling of existing software, providing large variety of services, and selling own in-house software that the company has developed over the years. This study will be focusing on the EMEA regional level where ARKANCE makes over 50% of its revenue. By having a large network of operations, ARKANCE is able offer solutions in many different areas of digitalization by utilising its resources from different countries to meet the required needs. Additionally, because the company is spread into many different areas, they can find the required knowledge within its organisation through their own internal channels.

3.3 Data collection

The primary data for this thesis was collected through semi-structured interviews. The reason why this approach was selected is because it allowed to collect the data from larger sample size and it would give the respondents a change to bring their own thoughts about the topics, which in return, would help the company to view their strategic approach in the whole EMEA region. Additionally, this distinctive format allowed the interviewed personnel to use their own examples and expertise as part of their responds which brings additional value to the research question on how the company align different operations in servitization process. Moreover, this format enabled a possibility to evaluate each topic with care and allowed to make an overview on discussed topics on the operational level of each region and country (Saunders, 2023, pp. 442-444).

The interviewees were selected together with the members of the company's European Leadership Team (ELT). These members oversee different sales and service activities throughout the EMEA region and are responsible to carry out activities that relate to the company's strategic positioning (Table 1.). The order of the interviews is not correspondent to the interviews cited in the findings section to maintain anonymity of the respondents. The purpose for this selected group was to have people from different roles and regions and get their perspectives around the EMEA region and how leaders in different countries view the discussed topics. The original plan for the interviews was to conduct some of them in-person but due to the scheduling difficulties it was changed to online sessions. However, as the structure of the interviews was the same and the questions were sent to the respondents beforehand, all the interviews were finished in the scheduled time (Appendix 1. Interview questions). The time and the effectiveness of the questions was evaluated by having a training interview before the actual interviews to make sure the interview questions were valid. This was part of the preparation of the data collection which plays a crucial role of an effective case study (Yin, 2003). The scheduled time for the interviews was one hour, and they were conducted between April and June in 2025.

Table 1. Roles of the interviewed personnel and length of the interview.

Role in the company	Length of the interview
Vice President EMEA Services	50 min
Service Enablement Director	61 min
Region Senior Service Director	61 min
Senior Regional Services Director	53 min
Service Director	49 min
Vice President EMEA Sales	47 min
Regional Sales Director	61 min
Regional Senior Sales Director	54 min
Managing Director	50 Min
Strategic Account Manager	64 min
Strategic Customer Success Director	50 Min
External Consultant	53 min
Consultant Product and Solutions Marketing	62 min

3.4 Data analysis

Regarding the data analysis, the interview process was structured in a way that it was possible to go back to the interviews and gather additional information from them. This was possible, as the data was transcribed and recorded via Microsoft Teams. Later, the transcripts were analysed with a table that consisted of each question with the answers from the respondents. This allowed to gather emerging topics from the interviews which formed the recurring topics that later became a part of the revised theoretical framework. After the conducted interviews, they were stored in the company to make sure they respect the GDBR company policies.

To make sure the data analysis was structured to be in line with the theory from the literature review, this thesis adopted the Gioia approach (Gioia, 2021) to combine the first-order findings from the interviews and the second-order themes from the literature review (Table 2). According to Gioia (2021), the key components to structure and analyse qualitative data require systematic development of data gathering. The goal is to

showcase the first order concepts which are gathered from informants (often interviews) to get an overview on the emergent topics from the interviews. After that, these concepts are categorized to themes which are based to the theoretical contributions of researchers to get a better understanding on how these concepts position in the selected phenomena. From there on, these themes are compressed to aggregate dimensions to showcase a broader relationship to the whole research and to the research question.

Table 2. Data Structure (Adopted from Gioia, 2013).

Data Structure		
1st Order Concepts	2nd Order Themes	Aggregate Dimensions
Aligning resources to market needs	Competence – solution alignment	Lower collaboration of business operations
Adjusting offerings to market needs		
Understanding of offerings	Evaluation of value creation	
Understanding customer needs		
Cultural differences		
Clear service delivery process	Defining of value creation	Moderate collaboration of business operations
Unified way of offering delivery		
Organizational culture		
Knowledge sharing	Implementation of value creation	
Communication over range of responsibility		
Training of staff	Value creation	Higher collaboration of business operations
Focused sales approaches		
Lowering the gap of cross-collaboration		
Utilization of resources		
Certification		
Clear goals and targets	Actions of value creation	
Cross-collaboration of teams		
Mindset to value		
Scalable KPIs		
Involvement in sales process		

The first order concepts were reviewed with the case company, to evaluate how these concepts and emerged topics from the interviews relate to each business operations base responsibilities. This enabled an assessment on how many of the emerging topics were confined to a single operation and how many simultaneously pertained to multiple operations. By evaluating this with the second order themes, it was possible to calculate the average of how much of these concepts overlap with one another and how they position in the theoretical process of Resource-based view and servitization of the company towards sustainable competitive advantage. This evaluation allowed to have in-depth analysis on the social perceptions of the company's decision-makers which justifies the usage of Gioia method in this concept (Magnani & Gioia, 2023).

3.5 The assessment of the quality of the data

The assessment of data quality is evaluated through validity and reliability in this thesis. The validity in this thesis is viewed through two lenses: construct and external validity. The construct validity views the overall usage of theoretical concepts and the reflection of their relationship within the constructed case study. In addition, it combines the studied theories to the collected data to form an applicable justification for the research topic (Yin, 2009). To validate that in this thesis, the used theoretical contributions were collected from various different sources and assessed to be academical references. Furthermore, the conducted interviews and the data collection was formed to make sure it is in line with the literature review of this thesis. The discussed themes in the interviews reflect the practical topics in the literature review and are combined in the revised theoretical framework in the findings section.

Regarding external validity, Yin (2009) points out that in case study scenarios, the sample size of one case company may not be enough to be generalizable to the validity perspective since the findings may not be applicable in another setting. However, as one of the key aspects of this study was to gather information from different countries and how they view the organization's strategic approach from different roles, generalizing the findings gave more insights about the whole organization compared to single sections of the company. Moreover, as Saunders (2023, pp. 214-216) describes, since the validity of the study is to validate the intended research, it was clear that the conducted interviews were not led towards specific outcomes but rather constructed on a high-level topics with open questions. Additionally, this allowed the interviewed personnel to be from different roles within the company and form more accurate findings that supports the topic of the research agenda.

Lastly, to assess the quality of the data, this thesis is validated through reliability. Reliability is an important consideration factor for case studies since it validates whether the entire research is reliable or not. To validate reliability, the conducted interviews need to be prepared and followed through in a way that the interviewer as well as the

interviewees participate in the study without having bias or other misleading perspectives that could false the results of the study (Saunders, 2023, pp. 215-216). Additionally, one of the main objective of reliability is that if the interviews are conducted again, the results should be the same (Yin, 2009, pp. 36-37).

To make sure the reliability was considered in this thesis, the data collection was done collectively, and it was documented in a same way for each interview. In the beginning of the data collection, the interviewed personnel were contacted through email, and they were given the same instructions to make sure everyone understood the upcoming interview. Scheduling was made internally to make sure each participant had time for the interviews. Since many respondents were in a managerial position and had limited amount of time in their calendars, some of the interviews had to reschedule for a later day. Each interview was scheduled to have extra time to make sure that there was no risk for rushing through the questions, during the interviews.

4 Findings

This section includes the findings of the semi-structured interviews. The interviews were conducted via Microsoft Teams meetings because the interviewed people are working in different countries across Europe. By having the interviews in Teams, it was possible to record and use transcript while the interview was conducted. This allowed to review the answers of the respondents while going through each question of this findings section. The interviews consisted of six topics which included three or four questions. Each of the topics are reviewed through in the findings section. Some of the questions consists of quotes from the interviews as this brings additional insights on the discussed topics. However, in some questions they are more limited due to the reason that some of the answers consisted sensitive data about the company's strategic operations that was asked to keep private.

4.1 General Background

The first topic of this interview focused on the general background of the company as well as the interviewed personnel. This topic analyses on how different interviewed personnel are positioned within the company and how they see the service offerings within the company and in their region that they operate in. Additionally, they describe the challenges that the business landscape has and how service goals are set for the company.

4.1.1 Role and responsibilities

The roles of the interviewed personnel focused mainly on the director roles within the company. The goal was to get people from high responsible roles with differences in their day-to-day work in order to get a variety of opinions on the topics that were discussed on the interviews. The interviewed personnel were mainly in sales or service departments. Others two that were included were consultants working with services and marketing.

The interviewed sales personnel were from top management, regional director roles, country managing director roles as well as strategic account roles. On the service side, top management was also interviewed, along with regional and country level as well as the consulting side. By having different roles of the company's management, the collected data from the interviews covered different perspectives and views from the topics that were discussed in the interview.

Main responsibilities of the interviewees focused on the management side to oversee the operations within their respected roles. However, some roles are more specialized in specific operations such as overseeing the new service offerings for the entire region or working with integrations of the merged entities of the company. As the company has set new targets for the service side of the business, everyone in the interviews listed the service offerings as one of their important targets for the future.

4.1.2 Types of services offered

In the next question on "What type of services does your region/company offer?" the answers from the interview showed that all the different countries offer similar services apart from local IP products and services that are developed to the local needs of different countries. In general, the company offers a broad and diverse range of services focused on software solutions and digital transformation, particularly in the fields of infrastructure, building and manufacturing. The core services can be divided into consulting, training, support and Helpdesk and development. Each of these services consists of different offerings that the company can deliver to the customer as project or as a continuous services depending on the customer needs.

Consulting is a big part of the company's service offering due to its wide range of delivery. Consulting services include both general and advisory solutions that help the company's clients in transforming and optimizing their information systems and digital workflows

to the required needs. Due to the agnostic view that the company has on different solutions, consulting is often required to meet the right need of the customer.

So, we're not looking for just into one solution. We're looking into their (customer) whole landscape of solutions that they're utilizing. What we are doing in the advisory consultancy is to take a holistic view of that, to understand how everything is connected, how it should be connected is also one thing that we try to advise. (Interview 9.)

Training is another service that the company deliver on regular basis. It is more fundamental service that covers the general use of the software, improves customers usage and knowledge of the workflow. Training sessions differ from country to another as some countries offer only online trainings while others include on-site training. Additionally, some countries have open training sessions for individual employees of customers to register into a training session.

Similar to the training services, the company offers support and Helpdesk services to help customers in their day-to-day operations. These support services help customers to use the provided solutions effectively without having to figuring out themselves what they should in a troublesome situation. Support packages differ from country and customer cases as the company offers a lot of different solutions and especially in larger needs for customers they are tailored to meet and cover larger quantities.

Development is another key service that the company provides and, similar to consulting, it can be tailored to customer needs depending on situation it is required. In many cases, development and integration is delivered as a project to a customer and it can range from custom implementation to strategic project workflow optimization. Additionally, development projects have resulted in local IP solutions in different countries that the company can use and learn to offer different solutions cross-country as well.

Moreover, in some cases, local IP solutions are needed to meet the regulatory requirements of a certain country which the company can deliver as a service project.

We also provide specific development, which is a big part of our revenues. Today in France, we have developers who develop specific connectors or just to try to integrate other software inside a full range of technology in the client side (Interview 7).

4.1.3 Describing service business landscape

The next question in the interview was: How would you describe the service business landscape in your region? This question resulted in similarities as well as differences in the answers because the interviewed personnel work in different roles within the company and some operate on a different scale compared to others. However, this gave great insight into regional and country-based levels on different business landscapes.

To start, it is clear that there are regional specifications and local differences between countries, which is something that the company needs to be aware of when evaluating the markets. Additionally, as the company operates in different industries, the maturity of industries varies also on a country basis which makes the overall EMEA region heterogeneous market to evaluate. Moreover, because there are differences in maturity of service sales with different countries, this has an effect on how the services are provided to the customers. Because of the nature of the market, many interviews pointed out that services are undersold due to the lack of standardized and scaled service offerings. These are especially seen in the market areas that are still evolving towards more advanced digitalized solutions. However, this offers possibilities for new solutions within the markets, which could be beneficial for the company to exploit new customers and position as a service provider within the market.

It's something that no matter what industry, some industries like manufacturing or architecture, engineering and construction are more or less developed. But I

think big market potential is to serve on the potential customers and the customers that are still jumping on this digital transformation journey. There are many companies that started, but they didn't still got everything from the potential that they can get (Interview 11).

The service business is growing, but it's still underpenetrated compared to software sales. Clients are increasingly requesting value-added services, especially related to digital transformation (Interview 13).

Another trend in the business landscapes is the emerging need of digital transformation. Key areas of focus include cloud-based workflows, Building Information Modeling (BIM), and data infrastructure, particularly within the manufacturing sector. The shift toward digitization is driven by both technological advancements and strategic imperatives, such as reshoring manufacturing operations and enhancing data sovereignty. In more mature markets, digital services are increasingly sophisticated, while in less developed regions, the emphasis remains on foundational enablement and training.

We need to approach these situations with great humility, but at the same time we must also be highly proactive, because digitalization is constantly bringing in new developments. If we look at the current situation and the transformation we are going through, artificial intelligence is a good example. Everyone agrees that design automation and similar technologies will change the world. However, at the same time, a lot of problems arise in relation to the potential benefits. In other words, the possible advantages may generate more challenges than actual gains. This highlights the importance of verification, trust, and how we relate to technology in general. All of this requires a significant amount of work, and we still have a lot to do even when it comes to basic digitalization (Interview 5).

Moreover, from the interviews, many respondents noted the challenges and competition as a clear effect on the service business landscape. Sales teams may lack confidence

in promoting services due to unclear or inconsistent service definitions and packaging. While some subsidiaries have developed successful service models, these are not widely adopted across the organization. There is a clear need for standardized, off-the-shelf service packages that can be adapted to local contexts. Additionally, as the competition varies from large multinational competitors as well as smaller local competitors with agile approaches, price sensitivity, value-added services, and scalability of services make the diversity of service business landscape difficult for the company to adjust to.

And I know that in some countries they have built three or four packages on services. With like a specific process for different types of software. And I think it was a good approach. Maybe it was not scalable enough for EMEA and that's why it really stayed within countries and was not applied to the whole region. But yes, to make something like that would make the services clearer for local sales to be more confident in selling and offering it to customers (Interview 4).

4.1.4 Service goals

Moving on to the next topic about service sale goals and targets, the responses shared common themes as well as differences in a country basis. As the company has set a common goal for the service sales for the entire EMEA region, it works as a driver for each individual county to perform according to these goals. In the big picture there is still work to be done in order to reach those goals but in some countries, the company is meeting those high goals.

As the goals are part of the strategic approach of the company, it has forced the company to adjust its business approach to more suitable for the service goals. According to the respondents this needs time and training of the staff in order to be efficient. Additionally, many respondents expressed skepticism about fully achieving their targets due to pipeline limitations, resource constraints, and the need for more strategic alignment. Nonetheless, the direction is clear: service sales are a growing priority, and the organization is actively evolving its approach to capture this opportunity.

It has to be reachable. I think we have a high target. We increase our targets, our budgets year on year. So they're designed to be difficult to achieve. I think they're not comfortable but it means sales guys, service guys, the marketing team all working together, really focused on selling services. We have the capacity, we have the right number of people. So, as long as we can keep our day rate up, we can keep our people busy. Then we should be able to reach our budget (Interview 2).

4.2 Sales and Market Approach

The second part of the interview focused on the sales approach of the company, regarding service sales. This includes identifying potential customers and price effects on the sales. Furthermore, the interviewees analysed the effects of cultural and regulatory factors on service sales and delivery.

4.2.1 Primary ways of selling services

With the next question which was “What are the primary ways your region sells services?” the respondents identified sales teams to be the primary drivers of service sales, often organized into roles such as "hunters" who focused on acquiring new customers and "farmers" whose primary focus is on managing existing accounts. These teams are supported by business consultants and technical pre-sales experts who provide specialized knowledge to tailor service offerings. Additionally, customer success teams and marketing departments contribute through lead generation, marketing automation, and campaign-based outreach.

Many countries perform better with existing customers when they have additional ongoing business with them. Many times, this includes some kind of service or license business which helps the company to identify customer needs and propose new relevant service solutions. This bundling of different solutions to customers has proven to be an

effective way to find solutions for customers which in return help the customer significantly in digital transformation.

In many cases, understanding of the industries is key for service sales. Even within a country there are differences in the maturity of industries digitalization, which makes the marketing and consultative approach to be in key role for the company. By understanding what are the trends that the industries are following, the approach to provide service solutions needs to be considered thoroughly. This increases the potential for successful business cases that benefits the service provider as well as the customer for innovative solutions that set up the trends for industry and create longer strategic partnerships between them.

We have salespeople who manage existing client or they're chasing new clients. And usually because they cannot know everything, all the technical of the functional possibility of services, we support them with some business consultants who are formerly focused on services. And they know much more about the functional and technical area which is what we push when we are doing meetings. So usually, the discussion start by the need of the customer. Maybe it's a need for a license and then this is to us to open discussion to say like, OK, but when you will have the license or are you going to install it, are you going to maintain it? How many people are going to work on this project? Knowing that you need to deliver it in six months and you said to us that you have two resources, maybe you need external help? By finding out about these, we start the discussion and we try to open those to many discussions on services, whatever it is (Interview 6).

4.2.2 Identifying potential customers for services

With the next question the respondents were asked how do they identify potential customers for services. Giving the facts that some of the respondents work in services and some in sales, the answers gave different perspectives to the topic.

As salespeople are often the ones that are in contact with the customer for commercial purposes, identifying customers for services are heavily on their shoulders. Several interviewees highlighted the importance of customer understanding which includes the identification of pain points, motivations, and other silent signals. To identify these attributes, sales teams are encouraged to be proactive in their work in order to find out as much as possible from the customer which in return can help the customer to get the right service that they need. Additionally, the company uses data analytics such as patterns from the past projects as well as industry trends to drive the conversation for identifying new opportunities for growth purposes.

We identify potential customers by first analyzing market trends, industry dynamics, and common operational challenges within targeted sectors. This top-down approach helps us understand where our services can create the most impact. From there, we go deeper by engaging with individual customers to uncover their specific goals, pain points, strategic initiatives, and transformation priorities. This includes reviewing their digital maturity, business growth plans, regulatory pressures, or operational inefficiencies. By mapping these needs against our service portfolio, we can align the most relevant solutions—whether that's around performance optimization, risk mitigation, cost efficiency, or innovation enablement (Interview 12).

The collaboration of service and sales teams was also pointed out in the question. The internal collaboration between service and sales teams is essential. Service teams sometimes find upselling opportunities during project delivery and pass these leads to the sales team. This collaborative approach ensures that customer needs are addressed holistically and efficiently. However, if this pipeline and the communication between sales and services is not working properly, it can lead to missed opportunities that the client might need.

When we deliver a training or consultancy services, we sometimes ask, if there is more we can do for them? If we can do some upselling for them, and this is a lead generation basically, and then we hand it over to sales and hopefully the sales will be able to convert this lead into a real opportunity (Interview 11).

4.2.3 Factors that influence the pricing

In the next question in the interview, the employees were asked what factors influence the pricing of the services. This question offered similarities within the answers with some regional specific differences.

The main factors that almost every interviewee answered is the market competition which remains the dominant factor for pricing. Many clients prioritize costs in today's business which can lead to aggressive price comparison. However, in some industries such as manufacturing, can be more receptive for value-based pricing if the provided services offer long term savings for customers. The company sees these opportunities crucial as the industries are evolving rapidly and digital transformation pushes the customers to move into more advancing solutions.

So sometimes we win projects and we try to explain to the clients that if you pay peanuts, you get monkeys. So, if it's really cheaper, it has to mean that the service will be cheaper too. So we try to emphasise the quality of what we're doing, our expertise on the market and our credibility. So sometimes it works and sometimes doesn't work because the client is too much focus on the pricing (Interview 7).

Another pricing factor is the region's economic maturity. This affects the pricing strategies the company need to consider when they offer services for their customers. Labor costs, economic conditions such as inflation and historical preferences are different in each region which makes a single pricing method for all regions difficult. Additionally, as in some cases are tenders, the company must consider the local market trends and price levels more carefully. That is why the company as set its internal targets for regions to

follow in a way that they push towards common goal in the big picture. However, as some projects require specialized knowledge whether it is due to the complexity of the service or requirement of seniority consultant, sales teams need to take time with the customer to find the best fit their need, which may come with a premium price.

There's all that kind of legacy that we have and sometimes that really is genuinely because the competition are also doing this. To win the licence business, our competition have also done it for free and they've created this landscape. Which means that the expectation of the market is that it's free, which means you have to change the expectation of the market, which is a quite challenging. But also, ultimately like you know, it's not very sustainable to keep giving things for free for anyone (Interview 3).

4.2.4 Cultural and regulatory factors

The last question in the sales and market approach section that was asked in the interview was “Are there any cultural or regulatory factors that affect service sales in your region?”. The answers revealed insights on both as these have significant role for service sales strategies that the company needs to address when operating in a multinational market.

To start with the cultural factors, European market offers a lot of cultural differences in regions which makes the localization crucial for succeeding in the market. Addressing the local customer needs and understanding the competitive dynamics of the environment, the company must have enough flexibility in its strategy in order to compete in the market while making sure that the overall strategy is conducted in a way they want. In addition, whether the company is operating internally or externally in a cross-country environment, understanding the communication styles of the different regions requires sensitive engagement and knowledge on the market. In the interviews, interviewees noted that in the Northern Europe communication is more direct and efficiency driven

compared to Southern and East Europe where it is more relationship based and focused more on the trust side.

Culture is a challenging factor. For example, if a customer is used to buying from a certain place, they will keep buying from there. Breaking or losing that pattern can be a real gamechanger. If we betray a customer's trust, we lose the customer. On the other hand, in some cultures, that doesn't matter as much as they follow the money or how much you actually want the case. That's why it's important to recognize these differences, and this is exactly why regional knowledge is so important (Interview 5).

Moving on to the regulatory factors, many countries in Europe share similarities in regulations with small differences. However, the basic rules apply especially in European Union countries when large scale projects are discussed. Public sector tenders, BIM mandates, and data protection are regulations that are now considered mandatory in most of the countries nowadays and following these is required from companies. Especially in tender or data protection discussions, service delivery is necessary to be described and discovered with details, since it protects both parties for possible future disagreements. This offers service providers possibility to show their expertise if they can present and address these issues with care and respect to the customer. By following the local protocols, service delivery becomes more professional and shows interest which is why the company is making sure that delivering services are done in similar and an effective way that meets the expectations of the service growth goals.

4.3 Resource Utilization

In the third part of the interview, the interviewed personnel were asked to describe how the company and the region that they operate in utilize the available resources and what are the defining factors that affect the utilization of resources for service delivery and execution. This includes the challenges, measurements and bottlenecks that the company has and needs to address in order to be successful in the service delivery.

4.3.1 Challenges in balancing resources

Moving on to the next question, the interviewees were asked “Are there any challenges in balancing resource availability with customer demand?”. This question noted similarities between countries as often the resource availability goes hand in hand with the customer demand. This means that when the company has a steady and consistent need for their services, it creates a healthy resourcing balance. However, since large cross-country service offers are beneficial for the company for many reasons, this can create issues in balancing resources for priority reasons.

Yes, balancing resource availability with customer demand is an ongoing challenge, especially in a diverse and dynamic region like EMEA. Fluctuating demand across markets is a key challenge. Different countries and industries often operate on different project cycles, creating peaks and troughs in demand that can be difficult to forecast and align with available resources. Sudden, large-scale customer initiatives or short lead times can strain capacity (Interview 12).

Another challenge is the skill specialization, that certain project deliveries require. This means niche expertise, that the company can deliver but does not have in every country. This can cause overbooking that can lead to project delays or potential burnouts. Moreover, if there becomes a peak need for specific skill from many different countries, the company needs to prioritize how to allocate expertise between projects. This also poses the question that there can be a need for training certain skills and certification for employees. However, niche skills have another side of the coin as well. Because sometimes these types of skills are not always needed, it can mean that employees with specific skillset are not utilized in line with the goals of the company. As a result, the company must evaluate consistently the market needs and create realistic estimates and forecasts for these types of niche skills to balance their resources as efficiently as possible.

Yes, we are struggling today to find and use the right resources, and we have two options. We have resources who are very busy because we have too many demands for it. And we have the opposite where we have one specific competence for one specific consultant, and we don't have the business for him today. So, we have people who are overloaded and people who are who are not used enough (Interview 7).

Resource allocation still has steps that require manual work, which consumes times as well as increase the risk of errors. By adding a large cross-country project to be managed in this scenario, there is a risk of visibility and coordination issues. This is why the company is trying to centralize the resource balancing for specific format, to get rid of the manual steps and find ways to be more efficient in service delivery. This would also improve the communication between sales and service, since sometimes sales teams can discuss service delivery with the customer without being sure if there are any resources available. This problem can cause scheduling conflicts especially if the customer is demanding the service delivery in a short notice.

Usually, when they (customer) ask for training, they want it as quickly as possible. When we have scheduled a different training, then we need to squeeze it in or cancel some existing activities, so that is challenging (Interview 10).

Yes, there are challenges, mainly caused by last-minute project approvals or seasonality in customer decision-making (Interview 13).

4.3.2 Resource allocation

As for the first question in this section, interviewees were asked “How do you allocate resources (personnel, tools, time) to service delivery in your region?”. As this question was more direct to service personnel, some of the questions were limited with the answers. However, as many of the countries work locally and have their own way of allocating resources, there are some standardized ways in the whole EMEA region.

For the localized country level planning, most countries manage their own resource planning independently, with dedicated project management or service teams overseeing scheduling and personnel allocation. Most of the scheduling is done with commonly used tools, but their implementation and integration vary by country. However, due to the strategic approach of the company, cross-border resource sharing is becoming more frequent. Countries often reach out to others when specific expertise is unavailable locally. This collaboration is typically manual and ad hoc, though some regions are moving toward more structured cooperation.

Yeah, it's a little bit different in terms of software, but let's say in general in the end we all use our backbone ERP system for our projects. So, in the projects we know how much hours we need to spend and then we are searching who should spend those hours, of course. And every country has its own planning projects, management department, and are looking mostly within their own country, when needed, they are going to other countries to ask for help, and allocation is mostly done, let's say, in general in Outlook where you have in outlook the whole overview of all the people (Interview 1).

Regarding the roles and responsibilities of resource allocation, service directors or dedicated planners are responsible for the resource allocation, not sales teams. This does not mean that sales teams should not be involved in this situation, since the coordination between sales and services is crucial during the proposal phase to ensure high quality service delivery to the customer. In some cases, the absence of key personnel can slow down the process or even shut down the entire service delivery. To make sure this does not happen, focusing heavily on the forecasting phase, planning project pipelines and meeting the customers specialization needs to be covered together with sales and services in order to meet customer expectations.

So how we allocate that is when we're building an opportunity, we usually build it with the service directors from the start. We involve almost always when it is a bigger order. I involved service director straight on to understand exactly where we can have the resource. Where do we have the expertise? Where are the best people for the project? So that's usually how I look into it (Interview 9).

Sometimes the customer gets back to the sales saying that, hey, I've asked for this training, and I still don't have a date yet. That happens. It's something that we experienced in the past. Then sales ask for a date to the planner of services while not having an order yet. And that's also a nightmare. Because if there's a date fixed and the order is not in, they might have to cancel the activity. So, sales and services should work together (Interview 10).

4.3.3 Measurements of resource utilization

For the next question, the interviewees were asked about the measurements of resource utilization. As the company has set common KPI's regarding service sales, the respondents listed similar KPI's in their questions. These include billability rate, profit margins, customer satisfaction and project margins. Due to the sensitivity of this topic, the specific numbers are not cited in this section. However, this shows that the company has taken a significant strategic approach towards service delivery since it is a direction that the company sees as a necessary move to make to follow the trends in the industry that they operate in.

In addition to the KPI's, the company uses digital tools such as different types of dashboards and timesheets that helps the managers and directors to visualize and report the company's performance in different services. As this is the responsibility of the service directors and project managers, these tools help them to get insight on the resource planning and how they can improve their processes. Furthermore, as the company offers wide range of services to its customers, one of the measurements to have is required

number of certifications. Especially in niche and unique solutions, the company needs to have these certifications and standards in place, in order to offer their services according to some customer demands.

4.3.4 Bottlenecks in service execution and delivery

In the last question of the resource utilization section, the interviewed personnels were asked “What are the bottlenecks that slow down service execution and delivery in your region?”. This question gave the respondents a chance to evaluate the risks of current service delivery processes and how they could improve them in the future.

The main bottleneck that was pointed out in the interviews is the misalignment of sales and services. This link and the communication between these two internal organizations causes a bottleneck for the company when it comes to service execution and delivery. Sales might lack the deep understanding of service capabilities, leading to overpromising, insufficiently scoped projects, and misaligned customer expectations. This misalignment results in delays, rework, and underutilized resources. On the other hand, service teams might miss out on the customer needs which could help the sales teams to discover alternative solutions for customers that would be more beneficial for the customer. Several interviewees emphasized the need for early, structured collaboration between sales, services, and customers to align on scope, timelines, and deliverables.

I give you an example and this is stupid example that makes me cry all the time. One day we decided that we have to go on the Mech business. But services had decided this, so there were good people specializing in Mech. But on the sales, no one in sales or business consultants had worked or specialized in Mech, so we had people in services waiting for Project Mech that sales are not selling, so there were no projects. So, we had guys that have a very low utilization rate and, on the other hand, sales who just decided to push more on something else. Whatever it was, sales didn't discuss it with services or maybe services didn't understand or whatever, but sales didn't have enough consultants to deliver a task on this industry or on this

specific project. So, this is where you can see a bottleneck, and this is also seen as a lack of business (Interview 6).

Other bottlenecks that a multinational company can have is a when cross-country project appears. If there is a need for specific skill that the company can distribute from another country, it may take some time to allocate resources which results in slow service execution. Additionally, if there are different ways in project planning between countries, slow manual documentation and complex communication can cause negative feedback from the customer side. That is why internal processes should be thought through, and the people need to work together in the planning phase to make sure everyone understands their role in the overall service delivery and in the execution.

Sometimes the bottlenecks can be factors that emerge in cross-country projects. Language barriers and complexity of local requirements such as GDPR or public sector procurement rules can effect on the service delivery, especially in regulated industries. Furthermore, if the resources that are used in these kinds of projects come from different cultures, that also may effect on the overall project. As an example, while some countries or cultures respect the effectiveness of response times, others may focus more on the profitability side. These kinds of issues highlight the importance of local knowledge and communication between different countries and internal organizations.

Lastly, sometimes the bottleneck and delays are results from the customer side. Long or slow decision-making processes tend to slow down service deliveries as well as lack understanding on what needs to be done before or during the project. In some cases, customers underestimate the internal change management required, leading to resistance and slower adoption of services. This reflects on the importance of pre-sales discussions as these issues can be resolved beforehand, if they are covered during the discussion in the early phase.

Sometimes it's communication. It can be internal or external communication, obviously unforeseen changes in the project. It can be also that the customer changes his mind at the last moment, or the readiness of the customer or third party is not ready, let's say providing necessary details on some data. Or maybe sometimes the legal aspects, right? So, a big thing nowadays is liability risks. So those are usually things that are postponed by days and sometimes even weeks the delivery dates (Interview 11).

4.4 Best Practices and Success Factors

Following of the resource utilization, the next topic of the interview focused on the best practices and success stories regarding service business operations. This included effective strategies and approaches, successful service examples and how the company ensures high-quality service delivery in the projects. As some of the examples that were discussed in the 4.4.2. sections are sensitive for the company, the topic was covered with respect of the company's GDPR.

4.4.1 Effective strategies and approaches in service sales

For the first question in this topic, the interviewees were asked "What strategies have been most effective in selling services in your region?". The responds for this question focused more on the approaches rather than specific strategies since the company shares a strategy that everyone follows. However, there are differences how different regions and employees practice that strategy and that is why these answers focus more on that.

As a part of the new strategic approach towards service sales, the company has focused on offerings that are easy to sell and understandable by both the customer and sales point of view. This means emphasizing the importance of packaging services into predetermined and easy-to-understand offerings. Additionally, if the offers can show the outcomes or measurables to the customer, the value proposition is clear to the customer to

see. If these types of offers are proactively discussed with the customer in the early stages of the sales cycle, sales and service teams can develop and offer solutions with the customer that foster the trust between the customer and the company. This kind of trusted advisor role is crucial in complex or long-term projects which requires trust from the customer side.

Making them easy to sell and easy to understand by packaging them up clearly. So, something that you know might be two days of consultancy, two days of training. Then you have the ongoing contract that this would affect. The price is known, and the sales guy understands how to sell it. The customer understands exactly what they're getting (Interview 2).

Another successful approach that many sales teams use is account planning. The use of account and engagement plans align services with customer's strategic goals. This includes annual service plans and customer success plans that link services directly to business outcomes. This structured planning supports recurring revenue and deepens client relationships and is crucial especially in strategic accounts that focus on long-term partnerships.

The account plans, how we plan out the service, are that we work very closely with customers, almost to make them sign off on a plan for a year. Some customers do sign off like, ok, this is our plan for this year, this is what we want to achieve. And I think that when you build that end goal in mind, it's very easy to start selling services along that end goal because you build a budget with the client to build the goal and then you say, this is what we need to deliver over the next couple of years to be able to reach that (Interview 9).

In addition, as the company is a multinational and has strong relationships with other big players in the industry, collaboration with other technology vendors have proven to be an effective way to identify new opportunities for service solutions. By aligning with

vendors' offerings and filling capability gaps, companies can access co-selling opportunities and enhance credibility within the market. Furthermore, this allows the company to customize services with local expertise and combine them with global standards to reassure customers especially in complex market sectors. This kind of approach can result in big success stories that can be used as references in global markets.

Our focus is on the complex projects—the kind of work that our competitors might struggle to deliver. That's where we believe we can bring the most value, achieve the highest margins, and generate the most revenue. We're now seeing some examples of success with this approach. In many cases, these projects require delivery across multiple countries because the necessary resources and expertise aren't all located in one place. We have a few good examples where such projects are not only being delivered but are performing quite well. This reinforces our strategy of targeting large, complex, long-term transformative engagements. While it's still early, and we certainly need more of these kinds of wins, we're seeing that it's possible. We can deliver, and we can make these projects work. These successes should lead to case studies and real-world examples that we can share with new customers—demonstrating our capabilities. Over time, that builds momentum, and the snowball effect begins (Interview 3).

4.4.2 Successful service deliveries

In the next question, the interviewees were asked to share a specific example of a successful service sales approach in their region. As some of these examples should require authorization from the customer so it was discussed with interviewees that specific details would not be published. However, the examples discussed in this section shed the light on how different regions have delivered successful service projects for many different customer bases.

One of the most important factors that these deliveries share is the size and the pre-sales tasks that have done before the execution of these projects have even started.

Similar to the previous question, the respondents described the bundling of services into large scale software deals that benefits the customers overall workflow and operational efficiency. By finding out together with the customer on what are both parties looking for in the end, this approach helps them both to understand what is needed from the project and what are the main issues that they are trying to resolve together. As an example of this, some regions create a Proof of Concept (POC) with the customer to make sure that everyone understands what they really want to achieve. If the customer is willing to give time to this, it shows commitment for both parties, and the overall end-goal becomes clearer.

Another important note is to have a long-term goal for the project. This means defining the scope and discuss what are the next moves that are possible after the current project. While some customers might find this conversation too eager, it brings knowledge to both parties on options that could become a reality in the future, especially in industries that are constantly evolving to more advanced solutions. This circles back to the proactive approach of the sales teams and why it is important keep the conversation ongoing internally as well as externally.

In one of the interviews, the respondent shared key elements for successful approach with the customer. The first thing was the strategic alignment where the project is tied to the customers internal transformation initiative. These conversations allowed to identify the gaps in the current platform and create a comprehensive offering to meet those customer needs. After that, they were able to develop integrations with the used technology and tools which creates a long-term commitment to the partnership. By developing these services with great success, they were able to involve lifecycle elements to the customer, meaning that every step of the customers product lifecycle would be adjusted with the customers strategy with the help of the company. This made the partnership more beneficial for both and allowed the company to start working across geographies and phase a structural project that would meet the customer needs with multiple organizations. While the project is still ongoing, they are discussing constantly for

future developments as the company has proven its ability to tailor complex solutions according to the customer needs.

4.4.3 Ensuring high-quality service delivery

The third question that was asked in the interview was “How do you ensure high-quality service delivery while maintaining profitability in your service business?”. The responses circulated around the areas of structured processes and continuous improvements. Additionally, cross-functional collaboration between different internal organizations was noted to be highly important in service delivery.

One of the consistent themes for this question was the importance of structured project management. This means that the company wants its services to be delivered on time, on scope, and on budget. This includes clear project scoping and planning with documentation that includes clear statements of work within the project. Additionally, this means that scheduling of kick-off and close-out meetings are required and the billing and delivery are tracked throughout the process. If there are complications or other factors that come up in the service delivery, there is a clear change management process to handle possible scope deviations.

We need to start with ourselves, right? So, to do our homework really well and if we want to do high quality services, it's about precision. It's about being on time, being on scope, and on budget of course. And one of the tools I believe in how to maintain profitability is to really stick to the proof of concept or statement of work and really be vocal and assertive in front of the customer. When something is sliding, when something is going south, right, you need to discuss this with the person, since it also shows the high quality because you want to really show that the project will be delivered in expected quality, not harming either side (Interview 11).

Another factor that the respondents pointed out was the customer centricity in service delivery. This means that if the company wants to ensure the high-quality, they need

to understand the customer needs from start to finish. The services need to be communicating with the customer and there must be a feedback loop for customer with a low barrier. However, this does not mean that the service teams are the only ones in contact with the customer. Additionally, sales teams, and especially business consultants and customer success managers need to track the outcomes that are set to the projects, and they need to proactively raise and follow these issues. By identifying and resolving these issues, the whole team involved in the service project gets a deeper understanding of customers' case. Moreover, this learned knowledge can be used for tailoring niche issues or to be used in other projects as well.

It is important to find the right touch points with the customers so that we can update the customers what we have done. We also check every time with the customer that what has been done that, that we will be on budget. And then, if there are things that are taking more time than anticipated, we flag it very soon to the customer and say OK, if you want us to do this, it is, let's say as an example 20 more days. Do you agree? Yes, OK and then you sign that. So, this kind of fluid communication with the customers about what we have done and any kind of deviation from the initial estimate (Interview 8).

To be able to deliver high-quality services, the company must be sure that they have certificated personnel working with the projects all the time. This means regular audits as well as continuous training of staff. By involving the right technical experts to customer interactions and ensure the right talent to right roles, the company can offer variety of services in board scale. Additionally, ISO standards are highly required especially in bigger projects which is why the company has set standardized implementations across regions. This also allows the company to improve their future delivery of projects since they have the right qualifications that are expected from them.

Yeah, having this continuous improvement mindset. This new methodology that we roll out for our project business has that at its heart and with that comes to life, so

certification that we want to get rolled out across EMEA. So, we have ISO in few countries, let's say UK for example has reached a quality standard based on the methodologies and continuous improvements. And so, by taking the good stuff that the country has developed and managed to achieve as an international standard and then taking that and rolling that out to the rest of EMEA region. We have pockets of countries that are achieving this standard, but the aim is to get every country working the same way and also adhering to the ISO standards, by measuring customer satisfaction and doing post project closure so that we get the feedback. We look whether we found some risks in that project and how have we found ways to overcome that. We then apply that to the next projects (Interview 3).

4.5 Weaknesses and Challenges

In this part of the interview, the interviewed personnel were asked to share the difficulties that the company faces, when they sell and deliver different types of services to customers. The question focused on the biggest challenges and gaps the company has in internal processes. Additionally, the respondents share how the competition in the market influences on service sales.

4.5.1 Biggest challenges in service sales

As the first question in the weaknesses and challenges section, the respondents were asked “What are the biggest challenges you face in selling and delivering services?”. Even though the respondents work in different roles, all of them had experience on this topic. A recurring issue that was pointed out in the interviews is the gap between what is promised in the sales process and what is delivered in the end. This kind of misalignment is usually happening if the services are not involved enough in the pre-sales process or handovers in the start of the project are limited with information. These issues can result in unmet expectations from the customer side and internal discomfort with different organizations. As the company tries to avoid these situations, they have increased the

importance of these issues and worked together to find out how they can improve the processes.

Sales teams often may lack clear, customer-facing materials that explain the scope, value, and outcomes of service offerings. Without packaged offerings, case studies, or ROI examples, it's harder to articulate the value of services during early-stage conversations. This can also result to problems in handoff between sales and delivery with incomplete or inconsistent handover of project context and expectations from sales to delivery teams which in return can result in misaligned objectives, scope creep, or customer dissatisfaction (Interview 12).

Another issues that the company is still facing is the complexity and the variety of services that the company can offer. This is a resulted as the company has made numerous acquisitions in recent years and since these organizations have been individual companies, they have had their own services as part of their offerings. This means lack of standardized service definitions across regions, board and fragmented service portfolio, and limited access to case studies and shared sales examples. To add, that all of the acquired companies have had different strategic approaches, the offered services have made the markets differ from one another. This makes it difficult to push standardized service deliveries to the markets.

People need to really understand the services that we have. It's a lot. And probably those 600 (service items) that we have, if you really look at them it's only like that because each country has developed a service that's similar to the way another country has developed the service, so you could probably take the 600 (service items) and turn it into 100 (service items) because they are fairly similar but not standardized. So, the biggest challenge really is being able to rationalize those services into something that's more cohesive in each country, so you could be a customer buying that thing in Belgium and you could buy exactly the same thing in Spain (Interview 3).

Because the company has operations across Europe, the differences in local markets have other challenges as well. Pricing is something that is not standardized in the whole region since those markets have clear differences with one another. As some regions are more mature and have more advanced projects, it is not easy to create a model that fits all. This comes back to the cultural differences that each country has, as some are more focused on price rather than value, especially in budget constrained sectors. Moreover, as customers have more available data about different solutions, markets that are educating themselves can effectively challenge the need for certain services.

4.5.2 Gaps in internal processes

Moving on to the next question, “Are there gaps in internal processes that impact service sales or delivery?” the answers continued to give more insight about the issues that the company is focusing on. The gap between sales and service teams is something that many respondents pointed out in this question. This is something that the company is trying to solve as this raised in other questions as well. As sometimes sales are pressured to close deals quickly, this can result in overpromised timelines as well as other delivery challenges or credibility issues. That is why the handover process between these two teams needs to be considered in the early stages of the service delivery.

The communication and collaboration problems do not always focus between sales and service teams. Additionally, the company is still trying to get different countries to work together and share similar organizational culture. As some countries are used to be competitors with one another in the past, it can have a slight impact on how countries collaborate together. Even though these kinds of situations are rare, sometimes there are difficulties to find the right people to be involved in multinational cases.

Yeah, I think that the silos are still there. In the country, people are looking into their own. They're looking into their budget, their country, and their service delivery. It's gone better, but it's still these problems internally about cross charging for

example, and I understand it needs to happen, but it shouldn't affect the sales and the service team. That is, for the managers to figure out, I just need looking to bring in value to the clients. And that's one thing that I believe that we can improve on just to have more visibility across the borders because I know some countries using a lot of outside consultants where we actually might have expertise in-house (Interview 9).

Another gap that the company has addressed and is working on is a shared knowledge base for the entire company. This kind of a platform where the company could share knowledge and used cases to educate employees would benefit many employees to understand better how other countries are working and how they have delivered profitable business cases. While the company already has an intranet which is a platform where news and used cases are published, it is still underused and utilized effectively. As in many countries the cases are documented in different ways, the usage of one platform needs more time to be effective. By bringing visibility to other entities, the employees could learn a lot from others and elevate themselves even further. This would require more time from the employees to make themselves familiar with it to use it properly, but it is something that the whole company is trying to push forward.

From my point of view, I feel we don't have a clear view on what are different countries strengths, what are their market needs and how we can shape the right approach in terms of selling services. So, I feel like one of the biggest challenges is having a good understanding of the different countries, challenges and market opportunities. I would say that there are assets that are available today for selling services, but personally I don't really know where they are. So, I feel that salespeople in France or in UK or in Czech might not really know where to look to have some information on the different services (Interview 4).

To be a multinational company, it takes time to become a truly a single entity that operates in a similar way. Over the past years the company has invested a lot on becoming

just that. By bringing internal organizations as one, the company has established new roles for employees. However, as some countries still work differently, bringing new roles is a slow process. As an example, the role of business consultants or customer success managers are still relatively new, and the company is working hard to establish these roles into local markets. Because at this moment, these roles are focusing heavily on local customers, bringing them as part of cross-country cases is still ongoing. This shift is still considered a gap by some respondents as these employees work mostly in local market and as discovered in the previous answers, they differ from one another. Due to the market differences, some countries are still trying to shift from license-focused approach to a service-oriented mindset.

One of our biggest struggles is getting hold of a business consultant who doesn't have a strategic view on EMEA but rather a local view on a market. So, we need to approach our customers and say, right, the big picture, this is where we think we should be going at strategic level, to build a kind of plan or a framework for how we get there. And if we don't think of this on an EMEA wide level, we end up thinking on a local level, which makes it very hard to scale and get the customer on board with our strategy for strategic plans. That's one area we struggle with and which could be improved. Not that the people locally aren't good, they are experts, and if they were operating in a EMEA level, they'd be fine. But they're paid at a country level, so their award is based on country. So, they're their natural bias, even if it's unintentional, will be to deliver work to that country (Interview 12).

4.5.3 Competition effects on services

Moving on to the next question, the respondents were asked “How does competition affect your service business in your region?”. As each country faces their own competition, even though some competitors also work in multiple countries, each market has its own competitive factors to when it comes to services deliveries.

A recurring theme across interviews was the intense pricing pressure driven by both global players and local smaller providers. Respondents noted that when services are perceived as commoditized, such as basic training or support, customers often gravitate toward the lowest-cost provider. This can be a result of vague discussions with the customer needs or is there is a lot of competitors that can provide such service. Moreover, if market is used to have free services, this makes it ever harder to discuss on paid services. That is why the competitive landscapes have evolved over time and many of the service providers try to find ways to differentiate from one another.

The competitiveness has also show how different markets and industries react to different service providers. While some industries value long-term relationships and value-based approach, others are more driven to price sensitivity. Reasons for this include the overall industry development and how much there is work available for end-users. As some industries are still recovering from post-pandemic shortage of jobs, some customers are hesitant to invest in services.

Moreover, in some cases, timing of deliveries has also an impact on competition. Sometimes customers value agile and quick set up of services whether it is due to time sensitive projects or some other pressure that the customer is facing. This kind of customer interaction impacts the strategic approach of the company since documentation and preparation should also be considered before selling services as quick service deliveries carry a risk of misunderstanding or undervalue. Nevertheless, the company need to have their internal processes in place to deliver services even in quick succession.

Generally, there are competitors we know and what they sell. But there are also different, smaller or bigger digitalization companies which we sometimes don't know. And they are also eating our cake, let's say, and we are really trying to work together, really trying to cross collaborate with each other countries and really show our capabilities. But sometimes there are struggles like discussed before and through those things, our competitors are sometimes faster or can sell in an easier,

better order way. So, I think we miss some opportunities which we could really be able to execute. But those are things we need to identify (Interview 1).

4.6 Collaboration and Knowledge Sharing

The final part of the interview focused on the collaboration and knowledge sharing side of the company. The idea of this part was to gather information on how different countries and regions work together to meet the goals that the company has set to itself for the next coming years. Additionally, the respondents gave their own views on what the company needs to do strategically to reach the company's vision and mission.

4.6.1 Adopting to service sales goals

For the first question regarding the last topic, the respondents were asked "How do you adopt to reach the service sales goals?". This question received both strategic and operational thoughts which would help the company to meet its new targets for service sales. First off, as already mentioned in multiple questions, the collaboration between sales and service teams needs to be addressed as it is the foundation for successful projects. This means open communications, collaboration in planning, and sharing knowledge actively between these two cross-functions. The respondents emphasized the importance of listening to sales teams to understand their challenges and providing them with the right tools and messaging to succeed. On the other hand, services should be included in the early stages of service cases to make sure there are right resources available, and all the stages of the service delivery is considered before the quotation.

A regular interlocks between sales and services, so to come up and to share the current position, how we are performing against our goals and where we can actually push more. So, start sharing the resources, start sharing what our capabilities are and what we can offer etc. This will help to reach the service sales goals (Interview 11).

Another topic that the respondents collectively raised is the strategic shift in the sales approaches. As the company has been in the software business for a long time, the focus has been on the software itself rather than in the services. However, since the company has evolved more into a trusted advisor role for its customers, the business itself is now much more consultative driven. This cultural transformation challenges sales teams to shift their mindset to complex, value-based solutions. Even though this requires much more knowledge from the salespeople since there are more options for customers to choose, it opens room for greater and longer relationship that are often more profitable. Additionally, since this kind of change takes time, the company has invested a lot on training programs and other centralized knowledge platforms. This upskilling of staff is essential for service sales and that is why the company has also recognition programs for its employees.

But I think that what we need to do is to move towards becoming a consultancy firm, have the right people, have the right mindset. I think that we as sales need to be trained on how to sell consultancy better. We've been doing it for a long time. But it's more like understanding the global business. That's what we need to adopt to. We need to be more adjustable to what's happening globally in the political landscape as well (Interview 9).

Yes, we need to start from the idea that we need to have clear themes. We need to make selling easier. Services need to participate in the sales process and perhaps also apply some pressure in that area. Business consultants need to be trained, and things should be organized around those themes so that we can push forward so-called campaigns. And yes, we definitely need to step up our efforts in marketing (Interview 5).

To meet the services that are set, the company is also making structural changes in the strategic implementation. These include integrating service targets into commission plans, introducing pricing controls, and setting clear KPIs for all employees contributing

to service delivery. This does not mean only sales but service teams as well. This way they are rewarded more from their contribution, which makes it a motivating driver for all participants to be more proactive. Additionally, focusing on certain set of services one by one helps employees to become familiar with the offerings and in return, helps them to adjust to new solutions easier.

4.6.2 Sharing best practices

For the next question, the respondents were asked “How do you share best practices within the global organization?”. This question showed that the company has struggled with this topic in the past, since countries have had their own focus on local entities. However, the company has started initiatives for knowledge sharing platforms to bring knowledge throughout the whole company. These channels are weekly or bi-weekly meetings with service directors around the EMEA region where they share success stories, discuss challenges that each region is currently facing, and align their process to meet to overall goals that is set to the company. Additionally, this year the company has started having town hall sessions where every employee is invited where they share strategic insights on the current fiscal year. This helps bringing the company together and to make sure the messaging from those town halls is assimilated, country directors go through these after each town hall session.

Yes, this is still a problem little bit. This is where the service directors really need to step up, and we also need to find a model that helps our business consultants achieve success. We have now introduced a Town Hall and a Service Town Hall where we share information within the service organization, but we should also make sure that these best practices reach the salespeople. But the flow of information has been a major issue for us in the past (Interview 5).

4.6.3 Collaboration with other countries

In the next question, the interviewees were asked to discuss more about the collaboration between countries and more specifically “Do you collaborate with other countries/entities to improve service offerings?”. As mentioned in the previous question, there are weekly meetings being held to share knowledge, but in addition, regions are also working together to make them familiar with themselves more. This has become more common and using resources from another country is far more advanced now than a few years ago. Whether it is cross-country knowledge sharing or joint innovation projects, the company benefits from this kind of collaboration of countries as it makes them more united company rather than a company that has its own sectors in each country.

However, there is still room to improve in the collaboration. Some respondents issued that even though these new initiatives have been launched, not every country is utilizing the available resources in the region. This is because it takes time to shift the way of work and making a quick change can have a negative impact on employee or customer satisfaction. But knowing that there are resources available to be used, it can bolster the collaboration of countries. Moreover, this can bring value to the customer if some specific need is met and fixed. Often, the language and pricing won't become a barrier if the goals for the project are mutually understood.

On the other hand, collaboration between countries has also impacted the service development in the company. Co-creation of new service offerings, further development of existing services, and localized adaptations of global solutions are all results of cross-country collaboration. This internal development pushes the company to become more unique service provider within the industry, and even though not all services match the exact need of some market, there can be adjustable pieces that customers find intriguing which in return can start new conversations on further developments.

4.6.4 Support to improve service sales and delivery

For the last question of the interview, the respondents were asked “What kind of support would help your region improve service sales and delivery?”. This question gave the respondents a chance to bring their ideas and thoughts on how the company could collectively improve their service business.

Many respondents emphasized the need for a clear, unified, and simplified service portfolio. The current offering is often seen as too broad and fragmented, making it difficult for sales teams to navigate on which solutions would work best for the customer. Standardized service packages, supported by centralized marketing materials and templates would help streamline sales efforts and ensure consistency across regions. Additionally, training programs for employees about value-based selling or pre-sales activities would help them to understand the strategic approach of the company and make the service portfolio clearer to understand.

I think you know all these different countries are doing different things, potentially the right things for their country, but it doesn't feel like we're growing our services. We're not expanding our services, and I think that's potentially the support we would need is a really good understanding of what our customers would pay for, what gaps we can fill that we're not doing at the moment and then develop those services and become really good at delivering them (Interview 2).

It's very important that service and sales deliver the same message. It's very important. Same direction, same message, same reference, same reward, same transparency of communication. So, we should say when things are good or not good (Interview 6).

Another theme would be the improvement of communication and collaboration between cross-country entities. While there are already organized meetings for such events, adding these to the middle-management and other employees as well would

create visibility on the offerings as well as available expertise and tools. This would also lower the barrier for internal engagement between countries and boost the morale of employees across the whole EMEA region.

I would say improve communication and work on this communication problem. So maybe there one team who is meeting all the different local teams and is putting it in some sort of knowledge centre where all the assets are and also all the information on who is doing what. So to have that information centralized somewhere would be good. And then I would like to have some kind of platform for identifying customer personas and pinpoints to try to shape some packages for their support, that would be helpful. But I think the major problem is communication and clear service offer. So, we need to find a solution for that (Interview 4).

Lastly, there is a need to shift employees' mindset towards value-driven approach. This means focusing on customer outcomes and return of investment rather than just licenses or hours sold to the customer. These factors should be supported with standardized handoff processes and by making sure they are visible for everyone involved in the service delivery. By making sure everyone understands how the pieces are moving in the project, the value that it bring becomes clearer for everyone to recognize.

Yes, communicating the added value isn't about saying, "Here's a case where we made this many euros, and here's what we did." The starting point should be "This is the added value we delivered. This is how much we earned, and this is the margin we made." Then the message starts to go in the right direction. Right now, our message is "we sold this many licenses and delivered this many days of training." That doesn't really mean anything or move things forward. It's really about focusing on the customer's problem, how we solved it, and clearly communicating the return on investment (Interview 5).

4.7 Summary of the key findings and the revised theoretical framework

The case company has made increased efforts to unified different entities to work under the same umbrella as part of their organizational change. While each region and country has their own specific needs, making a one-sized fit for the entire organization is difficult to achieve. However, as the interviews show, there are elements that reoccur in different parts of the organization, and they are noticed by the leadership of the organization. The key findings that can be made from the interviews relates to the functions of different business operations. Even though the company has made a lot of effort to break the silos within the organization, the interviews show that the cross-collaboration still needs time to be effective, whether it considers different countries or different operations. However, many of the respondents understands this issue which can interpreted that efforts are being made to address these issues.

Another key finding from the interviews regards the maturity of regions and how the company can learn from itself to become more effective on a global level. As the interviews point out different perspectives around the region, some as positive and some negative, it is possible to evaluate how certain operating methods could be duplicated as part of the big picture of the organization's strategic perspective. This creates building blocks that can be later applied to regional and country level as the company evolves overtime.

From the conducted and analysed interviews, it is possible to evaluate the relationship between service, sales and strategic operations and their alignment with one another (Figure 11). To summarize these findings, the key factors are positioned in a model which shows the relationship of different business operations and how the respondents highlight the most important factors emerged from the interviews. While some of the findings consider single business unit, there are overlaps, that needs to address and consider.

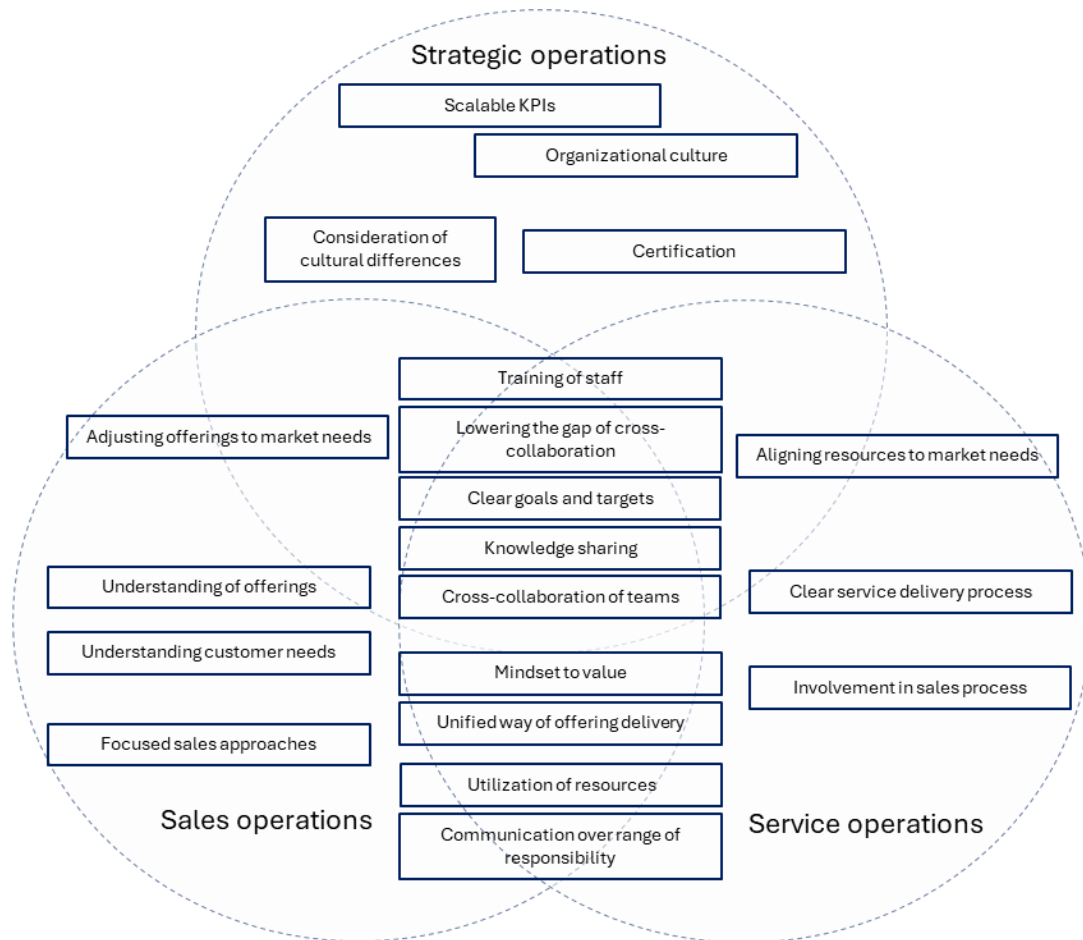


Figure 11. Alignment of summarised interview topics between business operations.

As the foundation of the theoretical framework focuses on the strategic approach, adding the practical concepts to the model gives more in-depth understanding on how these business operations align with one another. The idea of the revised framework is to give a better understanding about the overall process of strategic shift within a global organization by consider and highlighting actions that the different operations need to consider on a daily basis to make that strategic shift possible.

The revised theoretical framework combines the theoretic aspect of the literature review with the case study topics that emerged from the interviews (Figure 12.). The thesis compacts the board topics of the literature review into the more specific phenomena for the company to evaluate. Throughout the interviews, the elements of servitization and Resource-Based View can be interpreted from practical examples and actions which

shows that these theoretical models are applied on a strategic level within the company. Additionally, as the respondents work in different roles, their insight from the interviews shows what the company still needs to consider in the future to meet its strategic goals.

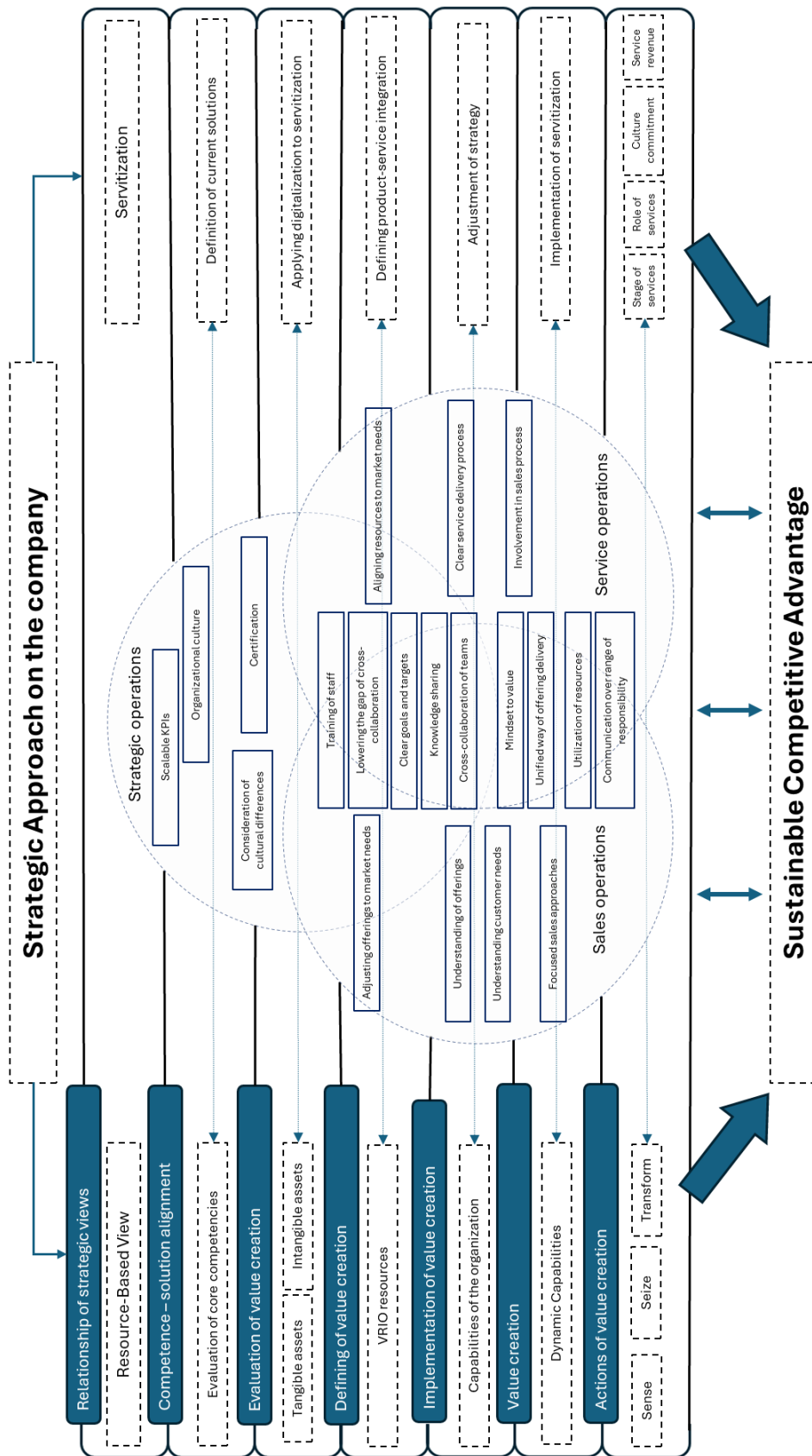


Figure 12. Revised theoretical framework.

5 Discussion

The final section of this thesis discusses the conclusions that this thesis contributes. The theoretical contributions are connected to the early discussions within the introduction where the research question was introduced. Managerial implications suggest guidance to managers on how this thesis could provide assistance for them. Lastly, the limitations and suggestions for future research are discussed from the perspective of this thesis.

5.1 Theoretical contribution

This thesis contributes to the theoretical strategic management by integrating the Resource-Based View and servitization literature within the context of multinational organizations' alignment of business operations. Building on the foundation that was laid in the introduction by Xing et al (2023), Ruiz-Martín & Díaz-Garrido (2021), and Biesinger et al. (2024), the findings extend the existing theory of Resource-Based View and servitization to the micro-foundational level as well as broader strategic level.

First, the research demonstrates that successful servitization requires not only the development of dynamic capabilities, as emphasized in Research-Based View, but also the alignment of operational functions (sales, service, and strategic operations) across geographically spread entities (Kindström et al., 2013). This thesis highlights that the capabilities must be operationalized through cross-functional collaboration in the process of organizational improvement (Teece et al. 1997) which enables the service-oriented transformation. This insight adds a micro-foundational perspective to Resource-Based View by illustrating how resource deployment and capability integration occur in practice within a global organization.

Second, the study enriches servitization theory by highlighting the role of organizational culture and interdepartmental relationships in driving strategic change. As mentioned in Biesinger et al. (2024) framework on cultural adaptation, the findings reveal that resistance to change often emerges from siloed structures and misaligned cross-functional

operations. By identifying these barriers and proposing mechanisms such as standardized service portfolios and shared knowledge platforms, this thesis provides empirical evidence on how cultural and structural factors influence servitization outcomes. Additionally, as Ruiz-Martín & Díaz-Garrido (2021, pp. 506-507) suggest further expansions to propose a model that takes into account “organizational variables, capabilities, and resources” with the lense of servitization, this thesis provides depth to that suggestion with the help of the conducted case study.

Third, the revised theoretical framework developed in this thesis offers a synthesis of Resource-Based View and servitization by incorporating operational alignment as a critical enabler for competitive advantage. This framework responds directly to the research question “*How does a company align sales, service, and strategic operations capabilities to enable servitization across organizational functions?*” by demonstrating that alignment is not merely a managerial challenge but a theoretical construct that bridges resource-based and service-oriented strategies. Additionally, as strategies of the company are implemented overtime in a new organization, the alignment of different operations should be constructed in a way that certain actions need to be overlapping with one another to make sure the cause and effects of different functions are adopted. In doing so, the study advances the understanding of dynamic capabilities as relational and networked rather than isolated within single functions that operate on their own as part of a larger organization.

5.2 Managerial implications

The findings of this thesis offer several practical insights for managers that are responsible for organizations’ servitization implementation. As the synthesis of this thesis shows the importance of cross-functional collaboration, managers should ensure that the company’s service objectives are embedded as part of the business strategies that the company is trying to achieve. This highlights the importance of communication throughout the organization and the interaction between different operating teams. This improvement of collaboration could also be achieved by adopting centralized planning and

reporting tools that would provide visibility across regions. By thoroughly understand the bottlenecks, utilization rates, and the availability of resources throughout the organization, managers can address the alignment needs of business operations. By doing so, this could result in finding profitable and complex service projects that can be later duplicated in different regions.

Additionally, managers should address standardization and capability development as a connected priority to pursue. As standardized service packages would simplify sales processes within the organization, they should also be constructed in a way that it challenges towards consultative selling skills and assimilation of value-based mindsets among employees. This would ensure that service deliveries would have the room for local adaptability and regulatory requirements while promoting a unified organizational culture. By enhancing training and recognition programs that promote value-based propositions, enablement of sales and services teams would improve towards the desired outcomes.

Finally, this thesis offers managers a consideration point-of-view for employees' range of responsibility. As the findings of this thesis suggest that understanding of different operations is crucial for the organizations' success, it is important to understand other functions that do not fall under the responsibility of the operating team or employee. This raises the importance of communicating the relevant information for individual contributors and make sure they understand the effects of the change on a local level. Moreover, as this requires more knowledge to adopt outside of employees' responsibility, it can result in resistance to change which is important for managers to recognize.

5.3 Limitations and suggestions for future research

This thesis provides valuable insights into the alignment of sales, service, and strategic operation in the context of servitization and Resource-Based view. However, it is important to acknowledge the limitations that this thesis carries throughout the study. First, it is worth to understand that this research is based on a single case study with the

specification on the EMEA region, which limits the generalizability of the findings to other industries as well as geographical contexts. Even though the sample size in this specific region gives an in-depth overview of case study, duplicating this into another region should require the consideration of local needs and cultural aspects. Future research could address this limitation by conducting an alternative study within different regions to gain additional data to either back these findings or discover new pain points to address to. Furthermore, this study could also be research with multiple case companies to gain a broader view on how these issues occur on different companies and explore whether similar alignment mechanisms apply in sectors with different levels of service maturity or technological complexity.

Another limitation that is necessary to address is the timing of this study. In the context of this thesis, the case company is undergoing an operational reconfiguration in the EMEA region which limits the need for this study for this specific time. At the moment, this limits the ability to observe the long-term effects of the finding. To get a better understanding of those effects, longitudinal research would address those issues, which could also be a suggestion for future research. By tracking organizational change over several years, the research would bring insights into the long-term impact of cultural transformation, capability development, and performance management for the companies.

Finally, as this thesis primarily examines the interactions of sales, services, and strategic operations, the disregarded operations such as marketing and R&D were only touched as appeared in the interviews. For example, the theoretical perspectives of these functions were not considered in this thesis. However, including these additional functions or creating a separate case study with these functions would be an intriguing aspect to research in the future. Especially the R&D perspective could include the usage of AI tools and digital servitization aspects which are growing trends regardless of industry.

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Appendices

Appendix 1. Interview questions

INTERVIEW QUESTIONS
1. General Background
Can you describe your role and responsibilities in the company?
What type of services does your region/company offer?
How would you describe the service business landscape in your region?
How much we sell services at this moment in this region? What are your goals for service sales this year?
2.Sales and Market Approach
What are the primary ways your region sells services?
How do you identify potential customers for your services?
What factors influence the pricing of services in your market?
Are there any cultural or regulatory factors that affect service sales in your region?
3. Resource Utilization
How do you allocate resources (personnel, tools, time) to service delivery in your region?
Are there any challenges in balancing resource availability with customer demand?
How do you measure the efficiency of resource utilization in service delivery?
What are the bottlenecks that slow down service execution and delivery in your region?
4. Best Practices and Success Factors
What strategies have been most effective in selling services in your region?
Can you share a specific example of a successful service sales approach in your region?
How do you ensure high-quality service delivery while maintaining profitability in your service business?
5. Weaknesses and Challenges
What are the biggest challenges you face in selling and delivering services?
Are there gaps in internal processes that impact service sales or delivery?
How does competition affect your service business in your region?
6. Collaboration and Knowledge Sharing
How do you adopt to reach the service sales goals?
How do you share best practices within the global organization?
Do you collaborate with other countries/entities to improve service offerings?
What kind of support would help your region improve service sales and delivery?