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## **Managing Quality Dynamics and Customer Relationships in Professional Services**

The professional services and information-intensive businesses in general comprise one of the most rapidly expanding areas in the new network economy. In professional services and information-intensive industries, management of quality and customer relationships plays a key role in achieving sustainable competitive advantage within the market. The term quality dynamics refers to changes in quality itself as well as to changes in factors both closely affecting and caused and affected by it. The dynamic approach to service quality is a particularly relevant issue since the time parameter and various over-time changes are an essential part of quality in professional services. Moreover, a realization of the benefits of the relationship marketing orientation requires an understanding of quality as a dynamic phenomenon.

How does quality dynamics become manifest in professional services? How can a professional service company manage quality dynamics to achieve stable and strong customer relationships? Quality dynamics occur in various forms and may have both positive and negative implications for a professional service company. However, most importantly, quality dynamics can be managed by a professional service company. Negative dynamics can be turned into positive quality dynamics. Companies have understood the value of long-lasting customer relationships, however there is an evident lack of managerial practices which help to build and enhance customer relationships. This article explains how quality dynamics occur in professional services. Furthermore, it suggests various practices which a professional service company can use to manage quality dynamics to achieve long customer relationships.

This article draws on a larger empirical study of professional services. The study was based on in-depth interviews and a qualitative analysis. Highly experienced senior consultants from five different companies, their professional careers varying from six to eighteen years were interviewed in extensive multi-hour in-depth interviews which were tape recorded, transcribed, and analyzed.

The essential findings and aspects of quality dynamics explained in this article relate to customer expectations, short- and long-term quality, the accumulation of satisfaction in customer relationships, customer switching, quality for the company and for the individual in business-to-business relationships, and customer expertise. The findings provide excellent application opportunities particularly in the management of quality in services, customer relationships, and professional practice in business-to-business contexts. They enable firms to design and deliver higher quality to their customers, strengthen customer relationships, and thus improve their own competitive strength.