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Strategy Alignment in Service System: The Fit between the Strategies of Value Proposition and of the Service Supply Chain

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Keywords: strategy alignment, service supply chain strategy, value proposition, PCN diagram.

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Strategy Alignment in Service System: The Fit between the Strategies of Value Proposition and of the Service Supply Chain

Dr. Leila Scanfone [α] & Dr. Noel Torres Junior [σ]

Abstract- **The increase in competitiveness in the services sector means that organizations in this area are looking for a more efficient management. Thus, there is a lot of interest from managers and academics in understanding the effort that service organizations are making to align their strategies. The purpose of this paper is to reveal the alignment between the Value Proposition Model (corporate strategy) and the Supply Chain Strategy (functional strategy) in two services provided by a Brazilian Public Institution, using the Process-Chart Network Diagram (PCN Diagram). This study uses a qualitative and descriptive study, based on multiple incorporated cases studies. The results show that this alignment is a necessary condition for delivering the value proposition of the service. Moreover, it has been found that the PCN Diagram can be used as a tool to facilitate identification of this alignment.**

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I. Introduction

The growth of the service sector in the global economy, observed in recent decades, has brought the need for a more efficient management of service organizations (Giannakis, 2011). Chopra & Meindl (2003) and Harland et al (1999) argue that supply chain strategy and corporate strategy must be aligned for a better performing of the organization. Therefore, the fit and agreement between the strategies of diverse hierarchical levels and functional areas has become one of the goals sought by current organizations.

This article uses the PCN Diagram to reveal the alignment between the Proposed Value Model in the Corporate Strategy and the Supply Chain Strategy of two services of the Military Police of Minas Gerais for the citizens.

Therefore, using a qualitative and descriptive study, based on multiple incorporated cases studies, this work seeks to answer the following question: What is the strategy of supply chain configuration adopted for the delivery of the value proposition offered by the service?

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It is important to stress that the paper makes a greater elucidation of the various forms of delivering proposing value and strategies concerning setting supplies chain in services, highlighted in the management literature. Additionally, the study associates these two approaches using of the PCN Diagram.

This article begins by discussing the various ways of delivering proposing value to the customer. Subsequently, this text discusses the strategies of the Supply Chain for services and the parts that the PCN Diagram was composed. This paper shows then the methodological procedures used to achieve the objective of the present study. Finally, the search results are discussed and some limitations and suggestions for future research are offered.

II. Literature Review

a) Value Proposition Models

According to Christopher (2007, p. 12) "Of the many changes that have taken place in management thinking over the last 30 years or so perhaps the most significant has been the emphasis placed upon the search for strategies that will provide superior value in the eyes of the customer.".

Complementing, Magretta (2012, p. 108) state that "the value proposition is the element of the strategy geared toward the outside of the Organization, and that means, to customers, to the demand side of the business."

Based on the value proposition, two models are presented and discussed: the creation of value and co-creation of value.

Co-creation is barely used in the context of public administration. However, public services are increasingly interactive and offering by inter-organizational collaboration. This reinforces the relevance and the potential of this approach to studies in this sector (Osborne et al, 2013; Osborne et al, 2016).

The model of Value Creation (Value Chain) Proposed by Porter in 1985, emphasizes that the value created is the result of activities carried out internally by the Organization and by the suppliers involved in the production chain. This model is based on the concept of value as "the amount that buyers are willing to pay for

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what the company provides to them" (Porter, 1998, p. 34).

In this classic model of value creation, the organization is seen as constituted by internal processes. This organization is part of a set of companies established in a linear configuration, with a unidirectional flow of products and that starts in the operations of the upstream suppliers and ends in the operations with the final customers.

The Model of Value Co-Creation (Value Constellation) The concept of value co-creation was developed through the contribution of several authors from various fields. Its main element is the reconfiguration of the relationship and the reconfiguration of the functions that exist among the actors that compose the "constellation" for service delivery (Normann & Ramírez, 1993).

The approach that subsidizes the perspective of co-creation of value is the Service-Dominant Logic (SDL) which argues that the organization solely is not able to create value. The organization can only offer a value proposition, which is accepted (or not) by the customer (Lusch et al, 2008).

Therefore, in this model, the customer is an active participant and the generation of value is the result of an experiment together (suppliers and customers), from an existing value proposition in a given context (Prahalad & Ramaswamy, 2004; Vargo & Lusch, 2004; Vargo et al, 2008).

From these considerations, Table 1 presents a summary of the main features of these two value proposition models.

Table 1: Summary of characteristics of value proposition models

Characteristics	Value Creation	Value Co-Creation
Customer Role	Passive (service receiver)	Active (information provider / value creator).
Customer participation in the service	None (service receiver)	pates in all stages of the process. Provides information.
Service production	Company-centric.	Customer-centric.
Communicative interaction	Informational. Nonexistent.	Dialogic. Discussion with customers.
Interaction with customers.	Nonexistent.	Regularly.
Transparency	Not transparent.	Transparent.
Knowledge	Not Shared.	Shared and applied.

Source: Prepared by the authors based on works of Ballantyne & Varey, (2006), Chathoth et al. (2013), Prahalad & Ramaswamy, 2004a, b).

Considering the information presented in Table 1, it can be inferred that these models are positioned between two extremes. In one side, the conception of value creation places the client as an exogenous variable of the process and presupposes the generation of value as a linear, sequential and unidirectional process. On another side, the conception of value creation as a process in which the customer is an active participant and the generation of value is the result of a conjoint experience (suppliers and customers).

b) Supply Chain Strategies

The operation of organizations under the logic of a supply chain is not new. However, a strategic perspective that considers this form of work is relatively recent. This point of view recognizes that it is a coordinated and joint operation of organizations in the supply chain that provide superior results (Christopher, 2007).

It should be noted that the service delivery chains are critical mediators for the existing exchanges in the market. These networks are essential for delivering value to the customer. Moreover, these structures determine how end-users, intermediaries, and suppliers participate in the provision of services (Finne & Holmström, 2013).

Based on the above considerations, several classification schemes have been proposed in the literature to guide the choice of the supply chain strategy (Hilletofth, 2009). However, it is noted that an important part of studies on strategies in operations

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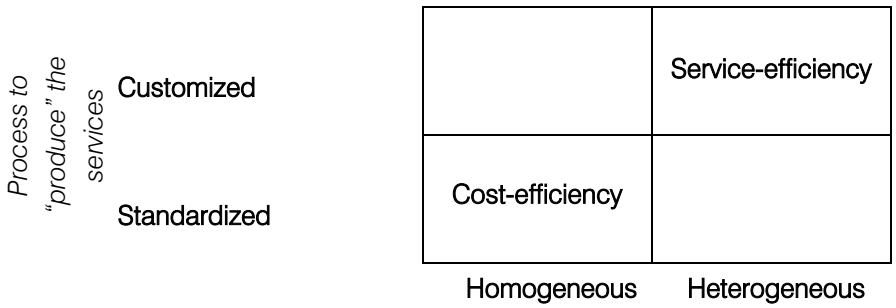
management and supply chain tries to understand the correspondence between the characteristics of the product and the supply chain processes (Morita et al, 2015). Besides, the existing approaches claim that there is no strategy that is suitable for any product. The choice of the appropriate strategy can significantly affect the competitiveness of the entire supply chain.

This paper follows the perspective proposed by Arlbjørn, Freytag and Hass who contextualize the various approaches to supply network strategies for the service sector.

The model proposed by Arlbjørn, Freytag, and Hass Arlbjørn et al (2011) based on the need to discuss the adequacy of lean thinking foundations to the context of services created a model for choosing the strategy of the Service Delivery Supply Chain. This model includes two parameters: services offered and processes of "production" to deliver to "produce" the services.

The services offered can be homogeneous or heterogeneous. Homogeneous services provided similar products that are offered in the same way to many customers. Heterogeneous services offered products in a personalized way for the customer. As for the "production" processes necessary to deliver the service, they may be standardized or customized (Arlbjørn et al., 2011). These parameters can be combined in a matrix as shown in Figure 1.



Source: Arlbjørm et al. (2011, p. 283).

Fig. 1: Strategies for Service Delivery Supply Chain: Cost-efficiency vs service-efficiency service

Figure 1 above shows that in contexts where services are homogeneous and the processes for producing them are standardized, the appropriate strategy would be "Cost-Efficiency." On the other hand, when services are heterogeneous and require customized production processes, the most appropriate approach would be "Service-Efficiency" (Arlbjørn et al., 2011).

It is important to note that a two by two matrix does not cover all the complexity existing in the context of the service supply chain. However, this model provides a general classification for the different types of strategy of services supply chain (Arlbjørn et al., 2011).

c) Process-Chart-Network Diagram (PCN Diagram)

The PCN Diagrams was built "on the strengths of other flowcharting techniques, while emphasizing the unique conditions and design opportunities for interactive service processes" (Sampson, 2014, p. 17).

According Sampson (2014, p. 19), this diagram provides the necessary "basis for analyzing service processes, networks, strategies, innovations, and other managerial issues" (Sampson, 2014, p. 19).

Figure 2 presents the main elements and principles involved in the elaboration of a PCN Diagram.

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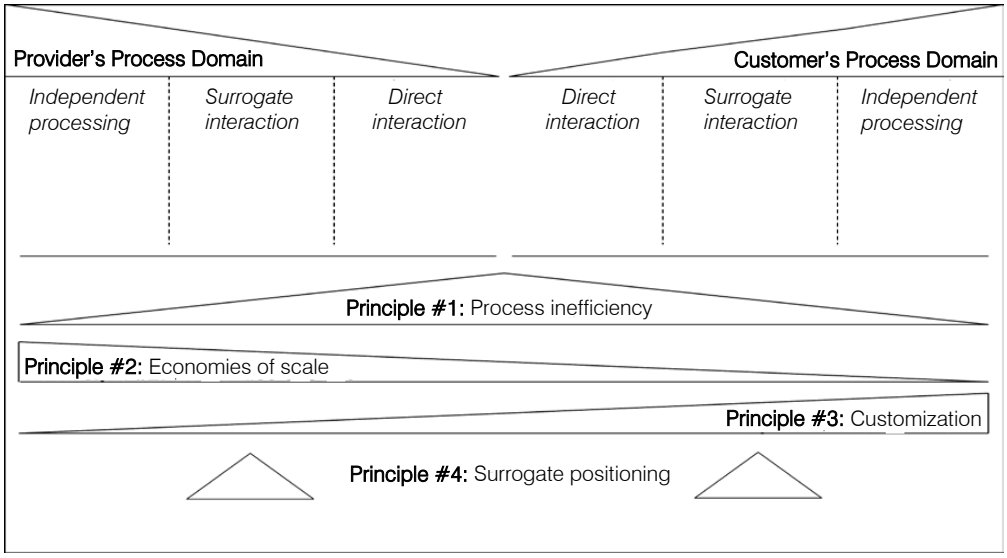

Source: Adapted from Sampson (2014).

Fig. 2: Elements that constitute the PCN Diagram

As shown in Figure 2, each entity involved in the process has an area containing a sequence of steps that is initiated, led, executed, or even controlled by this entity. This area is called the process domain (Sampson, 2012, 2014).

Each process domain has three regions. The region of direct interaction that encompasses steps that involve direct interaction between the people of the entities analyzed in the process. The surrogate region of the interaction encompasses the stages involving indirect interaction between entities. This interaction takes place through belongings, information or technology from another entity of the process. In this region, there are no interactions between the people of the entities involved. The independent processing region comprises the steps that occur from resources that belong to and are controlled by an entity, without any interaction with other entities (Sampson, 2012, 2014; Sampson & Chase, 2010).

The positioning of the service process activities in these different regions of the PCN Diagram is based on four general principles. These principles can be seen in Table 2.

Table 2: Summary of the PCN Diagram principles

Principles	Enunciate
Principle 1: Process Inefficiency	Interactive processing are less efficient processes (from the service provider's perspective) than independent processing ones, with directly interactive processes being the least efficient.
Principle 2: Economies of Scale	The greater the number of activities in the region of independent processing in the process domain of the provider will allow more significant gains in scale and operational efficiency. Reducing customer participation reduces process variability.
Principle 3: Customization	Shifting the process steps towards the processing region independent of the customer domain favours the customization of the service.
Principle 4: Surrogate Positioning	There are other ways to achieve operational efficiency beyond reducing customer engagement in the service process. The option to position activities in indirect interaction regions provides improved customization (Principle 3) while minimizing costs (Principle 1) and therefore can be an opportunity to balance efficiency and effectiveness in services.

Source: Prepared by the authors based on the works of Sampson (2012, 2014) e Sampson & Chase (2010).

Sampson (2014) write that the optimal positioning of a process in the domain regions depends on what the provider is trying to accomplish in a particular offer for a particular customer segment. This

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positioning of the process is a strategic decision. This decision consists of defining the business of the organization regarding value proposition and competencies required for the provision of these services. When the process steps performed in the process region independent of the provider domain. the offer of value follows the value creation model. In this case, the provider offers the service as a "closed package" with a proposed value. In the region of direct interaction, the customer participates in the process supplying some input to the supplier, so there is some possibility that the offer of value follows the value co-creation model. When the provision of value occur in the process region independent of the client domain is performed by the co-creation model. In this situation, the client takes an active role in the process, realizing value for himself through unique experiences (Sampson, 2014).

III. Research Methods and Tecniques

Considering the purpose of this study, we chose a descriptive study with a qualitative approach. This was developed through a multiple incorporated cases studies (Salomon, 2001).

The qualitative approach was based on the case study research method. The knowledge generated from the case study is more concrete, more contextualized, and more oriented towards interpretation (Merrian, 1988).Yin (2005) argue that a case study can be either a single case (a unit of analysis) or multiple cases (several units of analysis) and holistic (a subunit analysis) or embedded (several analysis subunits). Thus, based on this classification, this study is characterized as multiple incorporated cases studies, since units of analysis and the entities that make up the network of these services as subunits of analysis were two services from the same company.

The choice of services to be studied was intentional. In this type of choice, if they contain the necessary characteristics to reach the proposed goal, services are selected, which according to Yin (2005) and Einsenhardt (1989) is recommended for this type of study.

Table 3 shows the process steps used to conduct the study.

Table 3: Process carried out in the study

Step	Activity
Getting Started	Definition of the research problem. Theoretical Review of the Problem.
Selecting cases	Definition of the population of interest (Services). Theoretical sampling (Services with different levels of customer participation).
Crafting Instruments and Protocols	Qualitative data. Multiple methods of data collection (interviews, field observation, and document examination).
Entering in the Field	Joint collection and analysis of data, including the taking of notes during the conduct of field research. Opportunistic and flexible data collection methods.
Analyzing Data	Intra-case analysis. Pattern search among cases, using divergent techniques.
Enfolding Literature	Comparison of the findings with the literature.
Reaching Closure	Theoretical saturation.

Source: Prepared by the authors based on the work of Eisenhardt (1989).

Four research protocols were used which were developed from the literature review. They sought to gather information about the client's participation in the service process and other information necessary for the description of the services.

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The purpose of each protocol can be seen in Table 4.

Table 4: Purpose of each research protocol

Document for data collection	Purpose
Description of services	To understand the way the service is delivered.
Research protocol for service provider	To understand how the service is offered, which entities are involved in the process, and how the customer participates in the service process.
Research protocol for the civil and military employees involved in the execution of the service	To understand how the service process is executed by each one involved in the service offer and how the customer participates in the service process.
Research protocol for the interviewees of the local entity required in performing the service	To understand how customer participation is perceived by the representative of the local authority and to identify the role and level of assistance in the performance of the service.

Source: Prepared by the authors.

The interviews took place in two periods. The first period occurred between February and June 2015, in which 15 interviews were conducted. Five people from each service studied were surveyed. Each interview lasted on average one hour. The general rule used to end the interview was to stop when no new information emerged. According to Eisenhardt (1989), this indicates the saturation point of the data. In all cases, the interviews involved people with different functions within the service and coming from different hierarchical levels. Depending on the availability of participants, interviews were conducted by phone or a person-to-person. Also, the general managers of the companies were given the right to review the transcripts to assure anonymity to the level they desired.

The second period of interviews took place between November 2015 and March 2016. It involved a second interview with the military responsible for the services and with employees of a local entity assisted by the Police. In this interview the case studies were presented, doubts were answered, and some additional information was requested. Each interview lasted on average of two hours.

Following Eisenhardt (1989) directions, the interview scripts contained unstructured questions and structured questions. Finally, the research used documentary analysis and direct observation. The documents consulted were the operational manuals and the institutional presentations of the Police. Also, after each interview, the participant was requested to provide documents that reinforced the points discussed during the interview. The additional documentation collected at this stage of the research consisted of material for disseminating the services, community primer books with safety instructions and application forms for the service offered by the Police.

Field observations occurred during the months of April and May of 2015. During this period, the researchers followed the performance of the services analyzed in the study. Besides, in March 2016 a meeting between a local unit and representatives of the Police was observed. These observations helped to understand how each entity participates in the process. These observations also contributed to verify the reliability of the information collected from interviews and documentation. Multiple sources of data utilized in the research made possible to perform data triangulation (Yin, 2005).

The triangulation of data made it possible to verify the internal validity of the data through confrontations between them. Flick (2009) and Yin (2005) asserts that this procedure as fundamental for the validation of the research.

As suggested by Einsenhardt (1989) and Miles and Huber man (1994), data analysis occurred concurrently with its collection. This process consisted of two steps. In the first stage, we sought to identify the value-added strategy adopted by the service. Therefore, it was verified how the process of value provision was realized in each service, considering the characteristics pointed out in the literature. In the second stage, the strategy of the supply chain adopted in each service was identified. For this, the features of the activities performed throughout the service process were observed. In both steps, the PCN Diagram helped to determine the necessary data. In this sense, the study was inductive in looking for evidence that showed how the characteristics pointed out in the literature on the

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models of value provision were presented in each service.

The internal analysis of each case considered the data collected through interviews, documents, and observations. As a result, individual detailed cases were elaborated. Subsequently, these cases were presented to the key person responsible for the service for verification, clarification, and modification if necessary.

After the analysis of each case, the inter-case studies were performed. The objective of the inter-case analysis was to identify similarities and differences in the cases.

The final product of the analysis process, as recommended by Eisenhardt (1989), was the elaboration of a theoretical descriptive / explanatory framework of the phenomenon studied.

IV. Analysis and Discussion Of Results

a) Intra-Case Analysis and Discussion of Results

The services analyzed reflect the evolution of the Police's performance in meeting the demands and social transformations that exist in society. Given this, before discussing each service, it is necessary to make clear this evolution.

The Military Police of Minas Gerais is a Brazilian public institution with more than 200 years of existence. During its history and in the face of pressure exerted by society from different and growing demands for public security, it has modified its mission and its way of acting. The Military Police of Minas Gerais attempted to adapt its policing form by offering new services that would enable it to meet the needs of each period.

The changes that occurred in the Brazilian political and social scene during the 1980s and 1990s brought the need to redefine the institution's mission. Therefore, there was a transition from the role of the "police control" institution to the "citizen police" (Minas Gerais, 2010). That is, the traditional policing model has been replaced by community policing.

Traditional policing has the following characteristics: vertical hierarchical structure, a high degree of division of labor, a high level of centralization of power and authority, a high degree of standardization of activities and a great number of rules of conduct (Cruz, 2005; Marinho, 2002). All these characteristics corroborate to the control, coordination, and predictability in the accomplishment of its activities (Marinho, 2002).

In contrast, community policing depends on a decentralized organizational structure, since police activities are less predictable, demanding more discretion (Freitas, 2003; Marinho, 2002). Therefore, lower standardization and greater decision-making power are required and the norms serve as a reference for action and not as a rule of conduct to be followed (Marinho, 2002). Also, there is some demand for greater autonomy of the police units and the need for decentralization of policing activities (Freitas, 2003).

Considering what has been presented, it can be concluded that the quest for efficiency and effectiveness becomes fundamental for the Military Police of Minas Gerais. This search encourages the exploration of new ways of creating value and providing its services. According to Minas Gerais (2010), new services development is achieved through the aggregation of new values and concepts that meet local needs in a "customized" way (Minas Gerais, 2010, p. 75).

In summary, it has been observed that several actions have been carried out by the Military Police of Minas Gerais to adapt its way of acting to become more effective. These movements involve the redefinition of the function of the Military Police of Minas Gerais in the fight against crime and consequent adequacy of its policing strategy. These actions culminated in the offer of new services that meet the new social demands involving the community itself in its implementation. Currently, public security is one of the services most demanded by Brazilian society (Confederação Nacional da Indústria, 2015).

Therefore, the services that were the object of research of this work were: The surveillance camera - "Eye Alive BH" and the Neighbourhood Watch - “Protected Neighbourhood Network”. The surveillance camera service - "Eye Alive BH". The surveillance camera service known as "Eye Alive BH" was regulated by State Law 15,435 of January 12, 2005. It aims to promote support for the actions and operations of the Military Police of Minas Gerais, as well as other organizations of the Defence System Civil, in the prevention and combat of crime in the hyper centre of the city of Belo Horizonte (Carvalho, 2008; Milani & Jesus, 2012). It consists of continual monitoring through cameras of public places previously chosen due to the intensity of crime.

The unit responsible for coordinating and monitoring the service is the 1st Unit of the Military Police which is part of the Integrated Centre for Operational Communications (CICOp).

The following PCN Diagram of the "Eye Alive BH" service was elaborated using the collected data (Figure 3).

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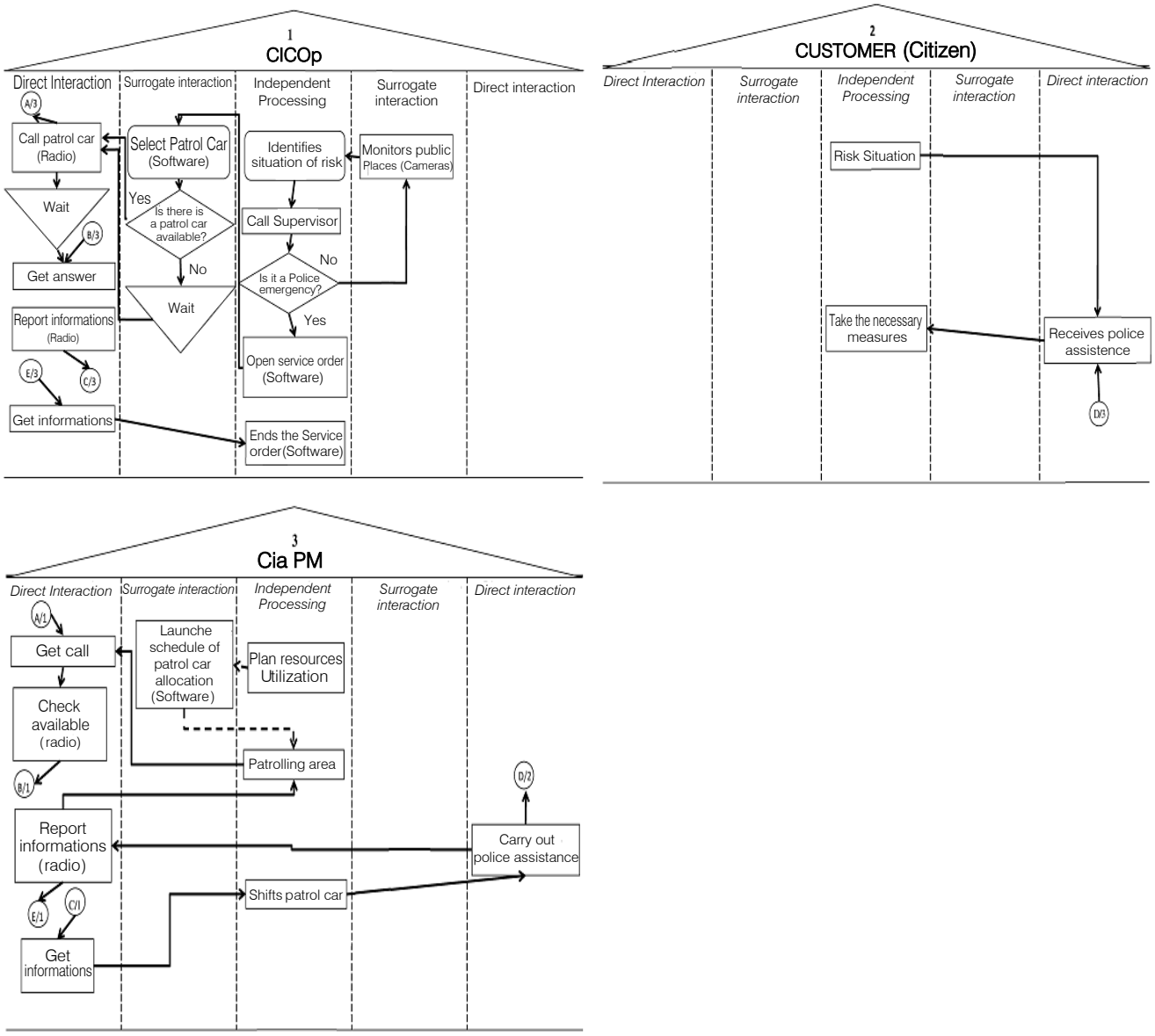

Source: Developed by the authors based on study data.

Fig. 3: PCN diagram of the service "Eye Alive BH"

According to Figure 3, the process steps are performed mainly in the provider process domain regions. In this process, the operator monitors in real time dozens of people. When he perceives a situation of risk, he calls the supervisor and the supervisor alerts the police patrol in the region to this fact. The employee is qualified to identify which details and attitudes are to be observed. This process utilizes productive resources that replace direct customer interaction. In this way, the whole process is conducted by specialized employees who control the current inputs. This process works on Principle 2 of the PCN Diagram - Economies of scale.

The service is also more efficient because there is greater control over the information that starts the process. Information is provided by trained employees without the need for customer interaction. Therefore the process steps are positioned in the process domain regions of the provider. In this region, the provider has greater control over the process due to the reduction in the variability resulting from the decrease of the customer interference in the process. That is consistent with Principle 1 of the PCN Diagram discussed by Sampson (2014) and Sampson e Chase (2010).

As suggested by Sampson (2014), the option of positioning steps in the surrogate region of interaction provides the balance between efficiency and effectiveness. In this case, the greater efficiency is obtained due to the increased use of available resources (e.g., the operator does not need the client's request to perform the monitoring, and the execution of the service does not depend on information sent by the customer). Effectiveness is achieved through increased

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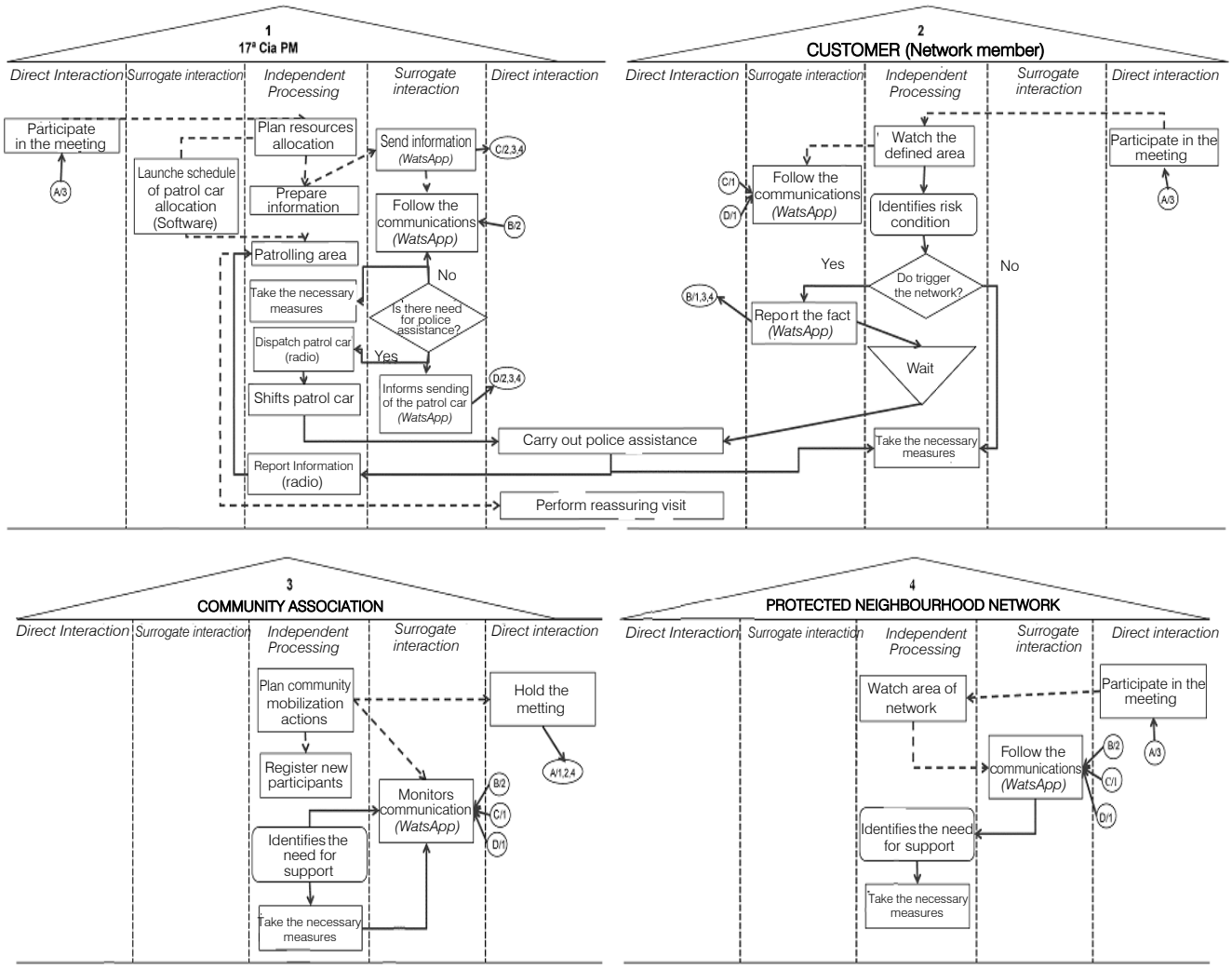
service agility since the service is monitored in real time. It should also be considered the preventive aspect of the service since actions that depart from suspicious behaviour avoid the occurrence of the crime before the occurrence of the act itself.

It can be stated that considering the service value proposition the provider seeks to deliver a final service package to the customer with a defined value proposal since a substantial part of the activities take place in the independent processing and surrogate interaction regions. Moreover, the client has a passive role. He acts as a single receiver of the service. The service takes place centrally and without customer interaction. These characteristics reinforce the perception about the way value is created in this service.

The Neighbourhood Watch service - "Protected Neighbourhood Network" The Neighbourhood Watch service known as "Protected Neighbourhood Network" was formed in 2004, but it was regulated in 2011. It is a type of community policing practice. It has the proposal to strengthen the community that is going to act in a stricter and organized way. It consists in the formation of networks of neighbours bound in a territorial base that implements practices for self-protection. Theses networks holds periodic meetings with the objective of deepening the knowledge about the actions implemented (Minas Gerais, 2011).

The research was carried out in one of the first network of neighbours installed in Belo Horizonte. According to the military interviewed, it is considered one of the largest and most successful network of this type in Minas Gerais.

The following PCN Diagram of the Protected Neighbourhood Network service was elaborated using the collected data (Figure 4).



Source: Developed by the authors based on study data.

Fig. 4: PCN diagram of the Protected Neighbourhood Netwo service

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Figure 4 above shows that the steps of the process are performed in the independent processing and the surrogate region of interaction. According to Principle 1 of the PCN Diagram, this positioning provides greater efficiency, since the company can limit and control the inputs provided by the customer. Customers perform a large part of the actions related to this service, thus reducing the processing load on the company (Sampson, 2014; Sampson & Chase, 2010). The steps positioned in the independent processing region occur through the use of the clients (network members) as observers of people passing through the area. These observers monitored the region by identifying the occurrence of risk conditions and became multipliers of safety information for the site.

Members of the network need to be adequately prepared to perform these functions. Network participants receive information about security procedures through periodic meetings, brochures, messages via WhatsApp, patrol rounds, among other actions. This corroborates with the considerations proposed by the authors Sampson (2014) and Torres Junior & Miyake (2011) who report the importance of preparing the client for their effective participation in the service process.

As a result of the stages being allocated in the provider's domain regions, the service can make better use of available resources. For example, the police patrol car can park in areas with the highest number of incidents reported by network members. Effectiveness is achieved by increasing the opportunity to customize the service (Principle 3) is due to the greater involvement of the customers (citizens of the neighbourhood) in the processes of the service. They provide information and also participate in planning the actions to be implemented by the provider. Accordingly, resource allocations and projects are defined based on the discussions of the network members established in the periodic meetings.

Considering value proposition, the model offered by the Protected Neighbourhood Network service represents a value co-creation. The customer assumes an active role throughout the service process. Also, the service favours greater interaction between the Police and the citizens and between the citizens themselves. That enables better sharing of information among all its members. As a result, there is value creation involving all service participants.

b) Inter-Case Analysis and Discussion of Results

The use of the PCN Diagram revealed that the services have different characteristics regarding the positioning of the process steps in the different interaction regions. Each service configuration in the PCN Diagram enabled the identification of the strategy related to the configuration of the supply chain and the model of value creation. Table 5 presents a comparative summary of the services concerning these aspects.

Table 5: Comparative summary of the services

	Eye Alive BH	Protected Neighbourhood Network
Level of customer participation	Low • Passive role - receiver of the service.	High • Active role - provides information and service. • Provides information before, during and after the service is performed. Participates in the planning and execution of the service.
The Principles of the PCN Diagram as drivers of the service design	Principle 2 - Economics of Scale and Principle 4 - Surrogate Positioning • Process steps positioned in the independent processing regions and placed in the surrogate region of interaction.	Principle 3 – Customization and Principle 4 Surrogate Positioning • Process steps positioned in the independent processing and surrogate region.
Models of value proposition	Value creation • Activities are positioned in the regions of the provider process domain. • Passive role of the customer as the receiver of the service. • Interaction and communication only at the end of the process. • Information and knowledge are not shared.	Value Co-Creation • Activities positioned in the client process domain regions. • The active role of the customer during the service. • Frequent interactions and communication. • Information is shared.

Source: Developed by the authors based on study data.

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Considering the principles of the PCN diagram and the ideas proposed by the authors Arlbjørn et al (2011) regarding the strategies for the service supply chain, it was verified that the "Eye Alive BH" service adopts the strategy called Cost-efficiency. This service mainly seeks economies of scale (Principle 2 of the PCN Diagram). It uses standardized processes and offers the service in a alike way. On the other hand, the Protected Neighbourhood Network adopts the strategy called Service-efficiency. It uses customized service processes and offers the service in a various way (Principle 3 of the PCN diagram - customization).

Finally, it should be noted that the "Eye Alive BH" service reflects the police's performance in the traditional model of policing. A service based on control, coordination, and predictability in the accomplishment of activities. That reinforces the homogeneity of the service provided and the standardization of activities. However, the Protected Neighbourhood Network service reflects the community policing model. Service with less predictable activities and working with a greater autonomy of the police units. Therefore, the services are more heterogeneous and carried out by the client's needs. All considerations are consistent with the principles set out in the PCN diagram and the strategy of the service supply chain highlighted for each case.

V. Conclusion

This study aimed to reveal the alignment between the Value Proposition Model (Corporate Strategy) and the Supply Chain Strategy (functional strategy) adopted by the services analyzed with the aid of the PCN Diagram.

The results showed that each service has adopted a different value proposition strategy and that each value supply model demands a specific strategy for the supply chain. Therefore, the study confirms the need for alignment between the strategy of the value proposition and the strategy for the supply chain in the cases analyzed.

The "Eye Alive BH" service adopted the value creation model and presented the cost-efficiency supply chain strategy. This service does not depend on customer participation and aims to deliver a "closed package" of services to all customers (uniform services). Besides, the current activities are positioned in the provider's process domain area and the independent processing region. This positioning of the activities favours the achievement of a greater predictability in the execution of the tasks. Thus, The process is characterized by the renowned standardization of services and the control of activities by the provider.

The Protected Neighbourhood Network adopted the value co-creation model and the service-efficiency supply chain strategy. This service depends on the participation of the customer and seeks to deliver a customized service (different services). Its activities focused on the area of the process of the customer's domain and the independent processing region. This positioning of the activities reinforces the low predictability in the execution of the tasks and the little control of the provider on the accomplishment of the service.

Concluding, this study indicates that the Military Police of Minas Gerais adopts different strategies in its service supply chain to support the diversification of its strategies of the value proposition to its customers (citizens). Moreover, the PCN Diagram showed to be a tool with a large potential for the explanation of this alignment.

Due to the number of cases studied and the fact that the services were chosen deliberately, the study does not allow the generalization of the results found.

Although the focus of the work is in the alignment of the strategies of value propositions with the strategy of the service supply chain, it is recognized that there are several challenges to be overcome in the use of these approaches in the context of Public Administration that were not addressed in this text.

Finally, aiming at the continuity of the discussion and considering the relevance of this topic to the service and operations marketing area, it is suggested that future research seeks to approach other value propositions models to understand the functional strategy adopted by the supply chain for these services.

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