MANAGING SERVICE ORGANIZATIONS AT THE BASE OF THE PYRAMID (BoP)

ABSTRACT
This paper reports on the results from a research project conducted in Mexico aiming to explore and learn about the management practices of informal services at the base of the pyramid (BoP). This exploration is the basis for the development, integration and discussion of a conceptual framework on service management at the base of the pyramid. The article begins with a theoretical framework integrating different perspectives identified in the BoP literature, centered on informal service organizations. It then describes the research design of the study. Results obtained are analyzed and discussed focusing on the informal organization dynamics. Further research opportunities developed from the obtained framework are identified, with particular emphasis on improving the typical BoP service organization and its environment.

INTRODUCTION
Research priorities have been identified in relation to strategy, development and execution of services (Ostrom et al. 2010). One of such priorities refers to improving well-being through transformative service, which integrates seven specific research topics, one of them being driving service innovation at the base of the pyramid. In discussing this topic, it is argued that most developing countries in emerging societies are already service economies. Diversity and complexity in regions like Latin America present a great opportunity to increase our understanding on the management of services under different contexts and environments. However, a great deal of existing knowledge has come so far from service research originated in developed countries, where social, structural and economic conditions are very different. The proliferation of informal services being initially created as a response to the need to survive and face limitations to alleviate poverty in developing countries, is a key factor to explore and understand the nature and characteristics of transformative services in such regions. Furthermore, it is crucial to realize that the huge segment of people living in poverty conditions at the so-called base of the pyramid (BoP), is not only actively needing, demanding, and consuming services, but also and more interestingly, they are true innovators creating and providing service solutions to other segments of society. This reality demands the need to expand our research horizons to develop alternative frameworks towards the basis for new theories and establishment of new paradigms in service research and its impact on organizations and their environment.