

# DSC 3203/ DOS 3703 SERVICE OPERATIONS ANAGEMENT

## The Course Relevance:

### Dominant and ever increasing presence of the Service Operations:

Today the service sector is dominating the economies of most developed nations.

In the United States, service sector accounts for over three fourth of the GDP and almost 85% of employment. In Singapore, the services sector, a vital engine of growth, contributes to over 75% of employment and to over 60% of the GDP.

In today's environment almost every manufacturing firm also has, as a part of business strategy, specific business units providing service operations. This will provide the competitive edge and thus increase customer satisfaction. *Jerry Gregoire, CIO, Dell Computers says "The customer experience is the next competitive battleground".*

### Importance of operational efficiency in Services:

Under these circumstances, while efficiency is one key ingredient for a successful firm, for a service industry this is especially true. Management in service industry is affected by the challenges of non-tangible aspects which play key role in customer satisfaction and hence impact efficiency. Hence understanding how to efficiently run and manage service operations will provide a significant advantage to graduates who are most likely to find themselves employed by a service based or service-oriented firm, in the present environment.

### Service Operations Course Focus:

Two aspects which will form the background of the course are: the importance of aligning the design and management of services with the marketing strategy of the firm and the impact and management of variability in services.

The course will focus on providing students with an understanding of:

- how to analyze service operations, how decision making differs and how implementation hurdles are addressed while operating services.
- how strategic vision is a necessity for successful service companies - whether they are banks, airlines, hospitals, utilities, retailing, restaurants, or theatre groups. Consequently, the course will explore basic elements of the service operations strategy. These concepts will be illustrated with wide range of examples from health care, financial services, retail, delivery services, airlines, etc.

- numerous quantitative tools and models that will help the students to model, to understand and to manage in this complex environment.
- how the digital internet era has started playing in redefining service operations.

**Planned class coverage**

A variety of service operational decision issues like: how to simulate service operations, how to plan location, what are the layout considerations, how does one plan for manpower etc. In addition, variety of special areas like using theory of constraints in capacity measurement, various pricing strategy, differential pricing etc. will be addressed

The class coverage can be broadly categorized as:

- managing variability in services,
- the operations/marketing interface,
- demand and revenue management and
- service quality and human resource issues

Students will experience how to model service operations and take important decisions using spreadsheet tools.

**Reference Text:**

Service Management Operations, Strategy, Information Technology - James A Fitzsimmons & Mona J Fitzsimmons

**ASSESSMENT:**

This is a 100% Class and Continuous Assessment Course. The components of assessment will include:

Individual Assignment	10%
Group Class Presentation/ Submission	20%
Group Project Report	20%
End term Evaluation	50 %

The end term exam is at present scheduled for the last week of class viz. 13<sup>th</sup> week.