

## **1.0 Welcome to this semester's course on service operations.**

In Taiwan more than 60 percent of jobs and GDP are related to services and the figure is growing. So, the ability to manage service operations is of increasing importance. Professor Lovelock, of Yale University (USA), describes services as needing an integration of marketing, operations and human resource management. It is by integrating these three disciplines that services have the greatest chance of surviving and succeeding. In this course we will focus on just one of these aspects: service operations.

## **2.0 Course deliverables**

Participants in this course will:

- Develop an understanding of service operations.
- Consider issues relating to the design and planning of service operations.
- Explore how the challenge of service operations planning varies between different types of services.

## **3.0 Course materials**

*Basic materials, course reference and project feedback*

Course materials and various reference materials are found on line at [www.j--s.net](http://www.j--s.net). You should take a look at the page for this class. You should check the section on 'getting started'. This syllabus, mini-introduction and course project briefs are there. As a first step *you should complete and upload the mini introduction*. At the bottom of the page you will find the upload function. There are other resources on the page including example projects. When I give feedback on projects this will also be posted to this website.

*Class by class reading*

The specific reading for each class is given below. Some of the materials I will put on line. Others that are easily available (like Harvard Business Review articles) you should download from the library.

*Case studies*

During class we will use a number of case studies. These are mainly from Harvard (<http://www.hbsp.harvard.edu>) and need to be purchased: normally the cost is around US\$2-3. I would suggest that you co-ordinate this purchase *as a class early on*.

## **4.0 Course teaching approach**

The course will build on a basic understanding of business and human resource management concepts. The morning session will generally focus on theoretical aspects that are then explored in practise through

case studies in the afternoon session. In the morning the teaching style will involve both lectures and participation. Students will be drive discussions through presentations discussing video material and in participating in class exercises. In the afternoon groups will present different aspects of the case study and I will facilitate discussion and highlight key issues.

It is essential that the reading / preparation is completed before each class. In class discussion will rely on all participants doing this. The success of the whole class relies on everyone making this investment in time.

### **5.0 Roles and responsibilities**

In this class we are in a service relationship: you are the service customer and I am the service provider. In order to create an effective class we both need to perform their roles well. Let me set some expectations for each.

#### **5.1 My role as the service provider**

As the service provider I will aim to:

- Offer useful knowledge theoretical insight into the management of people in service settings
- Facilitate discussion and sharing of practical real world examples
- Provide a safe environment in which all can contribute
- Answer queries (generally I respond to e-mail within 24 hours)
- Provide feedback within a reasonable time frame on course work – but note this can only be done if work is uploaded (see your role below).
- Assess work in a clear explicit way
- Avoid sudden unexpected changes to the schedule

#### **5.2 Your role as the service customer**

As a service customer you should:

- **Prepare a name card.** This should be easily visible from the front of the class (use cardboard or the like to make this). The teaching assistant, myself and other class participants need to see this. You should display this in every class.
- Please arrive on time for class. Part of the assessment is based on your participation: if you are late I believe you cannot effectively participate.
- Complete the readings and effectively prepare the case studies
- During presentations show appropriate respect to others (consider your feeling if you are talking to someone and they ignore you and start talking to someone else). Courtesy suggests listening to others when they are presenting.
- Aim to make positive contributions based on your experience in class.

- Provide objective feedback to other class members using the feedback form.
- Use of laptops is necessary in class. However this should be *limited to class related activity*. This makes use of MSN questionable. If you do not need the computer please shut it off.
- At the end of each class your presentation files, and feedback should be uploaded to the web. This should be done *before leaving* class. This also applies to mid-term and final projects.

### **6.0 Assessment**

The following table shows the break down of class assessment.

30% In class discussion – ability to discuss issue, raise points and give ideas connected to the reading, the cases and your every-day observations of services

Mid term 35%

Final 35%

The detail of the mid-term and final project will be put on the web. These involve group based reports and presentations. Your contribution in class is important. You all have different experiences and views to share. I will record these contributions during class. *Twice* during the course I will have an unannounced in-class test. These will be short and focus on the reading for the previous weeks. Notice the favourable weightings given to the higher grades – where I am sure most of you will score.

In class we will discuss the meaning of different grades so that we have a common understanding of what different grades mean.

### **7.0 Getting started**

There are a number of things to be done now:

1. Download the mini-introduction from the website. You should complete this and upload it.
2. Check the syllabus. Prepare the reading for the first and following class.
3. Download the in class assessment template.

I look forward to meeting you and having an exciting semester of joint learning and fun during this seminar series.

Dr. James Stanworth

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## 8.0 Syllabus

Class	Topic area	Reading	Case or other preparation
<i>Class 1</i>	<b>Understanding services</b>	<ul style="list-style-type: none"> <li>• “Introduction to services marketing,” Chapter 1 from Christopher Lovelock <i>et al</i>, Service Marketing in Asia, 2<sup>nd</sup> ed.</li> </ul>	<ul style="list-style-type: none"> <li>• Case: Susan Lee, Service Customer (Christopher Lovelock)</li> <li>• See the end for useful class books.</li> </ul>
<i>Class 2</i>	<b>Service concept &amp; the service operation</b>	<ul style="list-style-type: none"> <li>• “Exploiting the service concept for service design and development”, Chapter 4 from, James A. Fitzsimmons <i>et al</i>, New Service Development, Sage 2000</li> <li>• Chapter 2 Grönroos, C. (2000). Service management and marketing. Chichester, Wiley.</li> </ul>	Marked parts of the first reading
<i>Class 3</i>			<ul style="list-style-type: none"> <li>• Case: Benihana of Tokyo, Harvard Business School Case no. 9-673-057</li> </ul>
<i>Class 4</i>	<b>The product service bundle</b>	<ul style="list-style-type: none"> <li>• “Managing the augmented service offering”, Chapter 7 from, Christian Grönroos, Service Management and Marketing, 2nd ed.</li> <li>• Chapter 4 Lovelock, C., J. Wirtz, <i>et al</i>. (2005). Service Marketing in Asia. New York, Prentice Hall.</li> </ul>	

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<i>Class 5</i>			<ul style="list-style-type: none"> <li>Case: KFC and McDonalds in Shanghai, from “Services Marketing in Asia: a case book”, Christopher Lovelock and Jochen Wirtz</li> </ul>
<i>Class 6</i>	<ul style="list-style-type: none"> <li>Service design</li> </ul>	<ul style="list-style-type: none"> <li>Chapter 2 Lovelock, C., J. Wirtz, et al. (2005). Service Marketing in Asia. New York, Prentice Hall.</li> <li>Chapter 8 Lovelock, C., J. Wirtz, et al. (2005). Service Marketing in Asia. New York, Prentice Hall.</li> <li>Mahesh, V. S. and J. O. Stanworth (1995). Service Concept Delivery Through System Design: The Case of Anglian Water Services. Service Management: New Directions, New Perspective. R. Teare and C. Armistead. London, Cassell.</li> </ul>	Marked parts of CHL – Chapter 2
<i>Class 7</i>			<ul style="list-style-type: none"> <li>Case: To be advised</li> </ul>
<i>Class 8</i>	<b>Lean service – the concept of flow and waste</b>	<ul style="list-style-type: none"> <li>“Philosophy”, Chapter 1 from, The New Lean Toolbox, John Bicheno</li> <li>Swank, C. K. (2003). "The lean service machine." Harvard Business Review 81(10): 123-129..</li> </ul>	
<i>Class 9</i>			<ul style="list-style-type: none"> <li>Case: To be advised</li> </ul>

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<i>Class 10</i>		<ul style="list-style-type: none"> <li>• Mid term surgery</li> </ul>	
<i>Class 11</i>	MID TERM – PRESENTATION REPORTS AND DISCUSSION		
<i>Class 12</i>	<b>Demand and capacity</b>	<ul style="list-style-type: none"> <li>• Chapter 11, from, “Service Management and Operations”, 2nd ed. C. Haksever et al, Prentice Hall 2005</li> <li>• Chapter 9 Lovelock, C., J. Wirtz, et al. (2005). Service Marketing in Asia. New York, Prentice Hall.</li> </ul>	
<i>Class 13</i>			<ul style="list-style-type: none"> <li>• Case: simulation / case to be advised</li> </ul>
<i>Class 14</i>	E-services	<ul style="list-style-type: none"> <li>• Kenneth K. Boyer, Roger Hallowell and Aleda V. Roth. 2002. “E-Services: operating strategy” Journal of Operations Management 20:2 p.175-</li> <li>• Meuter, M. L., A. L. Ostrom, et al. (2000). "Self-service technologies understanding customer satisfaction with technology based service encounters." Journal of marketing 64(2): 50-64.</li> <li>• Bitner, M. J., A. L. Ostrom, et al. (2002). "Implementing successful self-service technologies." Academy of Management Executive 16(4): 96-109.</li> </ul>	
<i>Class 15</i>			<ul style="list-style-type: none"> <li>• Case: Alaska Airlines</li> </ul>

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Class 16	The professional service firm	<ul style="list-style-type: none"> <li>• Maister, D. 1985 “The one-firm firm: what makes it so successful?” The Sloan Management Review, Fall, pp.3-13</li> <li>• “The professional service firm – designing delivery systems”, J.O. Stanworth and V.S. Mahesh</li> <li>• Quinn, J. B., P. Anderson, et al. (1996). "Managing Professional Intellect: Making the Most of the Best." Harvard Business Review(March - April): 71 - 80.</li> <li>• Alvesson, M. (1993). "Organizations as Rhetoric: Knowledge Intensive Firms and the Struggle with Ambiguity." Journal of Management Studies 30(6): 997 - 1015.</li> </ul>	
Class 17			<ul style="list-style-type: none"> <li>• Case: Shouldice Hospital Ltd, Harvard Business School Case no. 9-683-068</li> </ul>
Class 18	FINAL – PRESENTATION REPORTS AND DISCUSSION		

*Two useful reference books for this course are:*

1. Service Marketing by Valerie Zeithaml, Mary Jo Bitner. Published by McGraw Hill. This is a good introduction to Service Marketing by two well known professors in the field.

OR

2. Service Marketing or Service Marketing in Asia by Christopher Lovelock (Lovelock and Wirtz). Professor Lovelock, formerly of Harvard and now at Yale was one of the first to offer a book drawing together Service Management theory into one book. This is also a good introduction.

*Other supporting books are:*

1. Moments of Truth, by Jan Carlzon. This is an easy to read book about the turn-around of SAS airways using service to differentiate the company.
2. Service America in the New Economy by Karl Albrecht and Ron Zemke