

OBA 410/510 Service Operations
Fall 2015

Instructor	Eren B. Çil	Class Schedule	Mon/Wed 4pm-5:50pm
Office	Lillis 483	Location	Lillis 275
Phone	541-3468252	Office hours	Tue 9:30am-11:30am & 12:30pm-2:30pm (<i>Unless announced otherwise</i>)
Email	erencil@uoregon.edu	Online Access	The Canvas

COURSE OBJECTIVE:

Worldwide, services account for 60% of GDP and 40% of employment; in the United States the numbers are 75% and 85%, respectively. Furthermore, the operations and competitive position of many manufacturing firms are increasingly becoming service-oriented, whether through a greater emphasis on after-sales service or through engineering and customization services.

This course seeks to provide a general manager's perspective addressing both strategic analysis and operational decision-making in service environments. We will examine

- the interaction between firm strategy and service design,
- the drivers of effective service delivery,
- the management of service quality and recovery, and
- some techniques for revenue management.

We will also visit settings in healthcare, financial services, retail, and hospitality (among others). Through lectures, case studies, and in-class discussions we will introduce conceptual and analytical frameworks for service management and design.

The course goal, broadly speaking, is to equip you with the conceptual and analytical frameworks for understanding and managing service businesses. We will apply these to various cases, underscoring also the importance (and increased availability) of data in supporting strategic and tactical decisions.

The course is intended for students interested in operations, general management, consulting, or financial services.

Textbook:

Successful Service Operations Management - 2nd Edition by R. Metters, K. King-Metters, M. Pullman, and S. Walton, Thomson/South-Western, 2005. This text can be purchased online through various retailers. This is a link for the textbook at amazon.com.

GRADING:

The relative weights for the various scoring components of the course are as follows:

Midterm Exam	20%	Cases	15%
Final Exam	30%	Quizzes	10%
Team Project	15%	Class Participation	10%

Exams:

Both exams are closed book/notes. Only exceptions are:

- For the midterm exam you can bring ONE letter-sized hand-written single-sided sheet.
- For the final exam you can bring ONE letter-sized hand-written double-sided sheet.

Midterm exam is at **4pm** on **October 28, 2015**. It is in LIL 275 (our usual classroom) and takes 90 minutes.

Final exam is at **2:45pm** on **December 7, 2015**. It is in LIL 275 (our usual classroom) and takes 120 minutes. The final exam is cumulative.

Team Project:

For the team project, you will choose a local firm and redesign an existing service process in this firm using the tools and concepts we learn in class. You can also come up with and design a new service process for the local firm you work with. You will complete the project *as a group of FOUR students* (the same group with which you work on the cases).

As the first phase of the project, you should have a concept and a basic understanding of the challenges in the service you are studying. You will submit a one page project proposal that describes your initial thoughts. You also will present your proposal to the class for feedback (by an approximately 10-minute long talk). Both the project proposals and initial presentations are due on **November 4, 2015**.

In the second phase of the project, you will present your (re)design and how you use the concepts discussed in the course (by an approximately 20-minute long talk). You also need to submit a detailed project report. The report must be in an essay format with related tables and figures. Your report must incorporate the suggestions/feedback you get from the class during your presentation. The presentations will be in the last week of classes, and the deadline for the project report is **December 4, 2015** (the last day of classes).

More details about the project will be provided during the term.

Cases:

During the term, you will work on four business case studies *as a group of FOUR students*. Each case has a *written* and *discussion* part. The written part of a case requires you to answer 4-5 questions before the class and must be submitted before the beginning of the class and will be graded out of 60 points. The discussion part requires active participation while reviewing the cases in the class. The discussion part constitutes the 40% of the case assignment, so that it will be graded out of 40 points. Below is a broad guideline for the scoring of the discussion part:

- *40 points*: All members of a group must participate actively and enthusiastically to get 40 points in the oral part.
- *35 points*: At least the majority of a group must participate actively to secure 35 points.
- *30 points*: Enthusiastic participation from only one member will get you 30 points.
- *25 points*: Groups with moderate participation will get 25 points.
- *20 points*: A group will only obtain 20 points if they make only a few comments during the class discussions.

Here is the list of the cases:

- *Benihana of Tokyo (HBS 9-673-057)*: This case discusses the development of a chain of "theme" restaurants. The student is asked to evaluate the current operating strategy and suggest a long-term expansion strategy.
- *The Ritz-Carlton Hotel Company (HBS 9-601-163)*: This case details a new hotel launch, focusing on the unique blend of leadership, quality processes, and values of self-respect and dignity, to create award-winning service.
- *Emergency Department Congestion at Saintemarie University Hospital (CU 48)*: This case teaches the impact of variability on process performance and how to address questions of process mapping and operations.

The cases will be available at the following online course-pack <https://cb.hbsp.harvard.edu/cbmp/access/41389339>. Questions for the written part will be available at the Canvas a week before the class we discuss the cases.

Quizzes:

There will be 5-6 quizzes which will be posted on the blackboard randomly throughout the term.

All quizzes will be announced *at 12pm (noon) the day before a class meeting* and be available until the class starts. However, you will have *10 to 30 minutes to finish a quiz* once you start.

Quiz questions will be related to the reading assignment of the upcoming class and/or all the topics covered in the previous class.

Only your highest 4 quiz grades will be counted toward the final grade. Quizzes add up to 10% of the total grade.

Participation:

You are expected to actively participate in the class. Therefore, at a minimum, keep up with the assigned readings, make contributions to in-class discussions, and participate in in-class exercises. Please refer to the following guidelines for how the participation score is determined:

- *Outstanding participation (100 points):* Requires enthusiastic participation in almost all class discussions.
- *Active participation (90-95 points):* Requires active participation in most of the class discussions.
- *Fair participation (75-85 points):* Requires adequate participation in class discussion (I should hear you at least a couple of times).
- *Below average participation (60-70 points):* Never speaking, showing clear signs of not following the lectures, and missing classes frequently.
- *Low participation (30-60 points):* Being absent almost all the time.

MISC. POLICIES

We will adhere to the following policies, the motivations for which should be self-explanatory.

- A missed test will result in a score of zero, so you should be sure to check now whether you have a conflict with the scheduled exam dates and times. **On the subject of test-taking:** Do not wear a brimmed hat during tests. Your eyes should be visible and on your own paper.
- **Academic Misconduct:** The University Student Conduct Code (available at <http://uodos.uoregon.edu/StudentConductandCommunityStandards>) defines academic misconduct. Students are prohibited from committing or attempting to commit any act that constitutes academic misconduct. By way of example, students should not give or receive (or attempt to give or receive) unauthorized help on assignments or examinations without express permission from the instructor. Students should properly acknowledge and document all sources of information (e.g. quotations, paraphrases, ideas) and use only the sources and resources authorized by the instructor. If there is any question about whether an act constitutes academic misconduct, it is the students obligation to clarify the question with the instructor before committing or attempting to commit the act. Additional information about a common form of academic misconduct, plagiarism, is available at <http://library.uoregon.edu/guides/plagiarism/students/index.html>.

UNIVERSITY OF OREGON ADA POLICY

The University of Oregon is committed to making available to all its students the opportunity for an excellent and rewarding education. The Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1973 provide federal guidelines which help the University ensure that students with documented disabilities have equal access to this opportunity. If you have a documented disability and anticipate needing accommodations in this course, please make arrangements to meet with me soon. Please request that the Counselor for Students with Disabilities send a letter verifying your disability.

TENTATIVE SCHEDULE¹:

	Monday	Wednesday
WEEK 1 9/28-9/30	<ul style="list-style-type: none"> • <i>Course Introduction</i> • Services in the Economy <ul style="list-style-type: none"> - <i>Characteristics of Services (Chp 1)</i> - <i>Services vs. Manufacturing</i> 	<ul style="list-style-type: none"> • Formulating Strategy <ul style="list-style-type: none"> - <i>Strategic Positioning and Service Strategy (Chp 2)</i> - <i>Environmental Strategies for Service Operations (Chp 4)</i>
WEEK 2 10/5-10/7	<ul style="list-style-type: none"> • Formulating Strategy <ul style="list-style-type: none"> - <i>Online Strategies for Services (Chp 3)</i> - Case 1: Benihana of Tokyo 	<ul style="list-style-type: none"> • Service Design <ul style="list-style-type: none"> - <i>Developing New Services (Chp 5)</i> - <i>Service Innovation</i>
WEEK 3 10/12-10/14	<ul style="list-style-type: none"> • Service Design <ul style="list-style-type: none"> - <i>Managing the Service Experience (Chp 6)</i> - <i>Offshoring and Outsourcing (Chp 8)</i> 	<ul style="list-style-type: none"> • Service Design <ul style="list-style-type: none"> - <i>Selecting the Service Site (Chp 16)</i> - <i>Quantitative Methods for Site Selection</i>
WEEK 4 10/19-10/21	<ul style="list-style-type: none"> • Service Design <ul style="list-style-type: none"> - <i>Process Analysis and Simulation (Chp 9)</i> - <i>Simulation Techniques and Examples</i> 	<ul style="list-style-type: none"> • Service Design <ul style="list-style-type: none"> - <i>Service Quality (Chp 10)</i> - <i>Measures of Customer Satisfaction in Services</i>
WEEK 5 10/26-10/28	<ul style="list-style-type: none"> • Service Design <ul style="list-style-type: none"> - Case 2: Ritz Carlton 	Midterm Exam
WEEK 6 11/2-11/4	No classes <i>Devote time for Project Proposals</i>	Project Proposal Presentations
WEEK 7 11/9-11/11	<ul style="list-style-type: none"> • Managing Services <ul style="list-style-type: none"> - <i>Yield/Revenue Management in Services (Chp 12)</i> - <i>Overbooking</i> 	<ul style="list-style-type: none"> • Managing Services <ul style="list-style-type: none"> - <i>Inventory Management in Services (Chp 13)</i> - <i>Services vs. Manufacturing Inventory</i>
WEEK 8 11/16-11/18	<ul style="list-style-type: none"> • Managing Services <ul style="list-style-type: none"> - <i>Managing Waiting Lines (Chp 14)</i> - <i>Sources of Variance</i> 	<ul style="list-style-type: none"> • Managing Services <ul style="list-style-type: none"> - <i>Single-server Queuing Models</i> - <i>Multi-server Queuing Models</i>
WEEK 9 11/23-11/25	<ul style="list-style-type: none"> • Managing Services <ul style="list-style-type: none"> - Case 3: Emergency Department Congestion at Saintemarie University Hospital 	<ul style="list-style-type: none"> • Advanced Tools <ul style="list-style-type: none"> - <i>Data Envelopment Analysis (Chp 17)</i>
WEEK 10 11/30-12/2	Project Presentations	Project Presentations & Wrap Up

¹ Subject to change.