

Loyola University Chicago - Quinlan School of Business

SCMG 483
Management of Service Operations
Winter Quarter 2016-2017
M 6 pm - 9 pm
Schreiber - 405

Professor J Zydiak
Office: Schreiber - 509
Office Hours: M 5 pm - 6 pm
Phone: (312) 915-6877
Email: jzydiak@luc.edu

Text: *Service Management: Operations, Strategy, Information Technology*, Fitzsimmons, Fitzsimmons, and Bordoloi, McGraw Hill Irwin, Eighth Edition, 2014. The text is available at the WTC Bookstore, or can be ordered online, e.g., from Amazon.com.

Cases: *The Dabbawala System: On-Time Delivery, Every Time; Pharmacy Service Improvement at CVS (A); Harrah's Entertainment, Inc.: Rewarding Our People; Hong Kong Disneyland: Where is the Magic?; Southwest Airlines 2002: An Industry Under Siege; Taco Bell Inc. (1983-1994); The Ritz-Carlton Hotel Company; Zappos 2009: Clothing, Customer Service and Company Culture*. Paper copies of these cases are available at the WTC Bookstore. Alternatively, electronic downloads of all cases are available directly from: <http://cb.hbsp.harvard.edu/cbmp/access/50139648>.

Course Description: This course explores the management of services in general, and the application of operations concepts to the design and management of service delivery systems in particular. A case study approach will be used, supplemented with lectures.

Grading: *Final Exam 35%*. Comprehensive (open book, open notes, computer-allowed) on **2/20/2017**.

Case Assignments 35%. A written report should be prepared for each case that addresses the attached guidelines (in whatever format you prefer) and anything else you deem appropriate. These reports must be typed (as a guide, 2 - 5 double-spaced pages), and submitted when that case is discussed in class. The reports should be organized and well-written. Reports will **not** be accepted late; email them to me if you are unable to attend class. You may work in groups on any case, and submit one case report per group. You may submit as many case assignments as you wish; the **highest three** case report scores will be averaged for each person.

Paper 20%. A typed paper (as a guide, 10 double-spaced pages or less) is due on **2/13/2017**. The paper should describe an original investigation into a topic related to the subject matter of the course. The topic can focus on a particular work environment, as in a case study, or be more general. Include all references. Late papers will **not** be accepted; you can email it to me if necessary. You may work in **groups**, and submit one paper per group. Also, be prepared to give a brief presentation about the topic of your paper on **2/13/2017**.

Class Participation 10%. Each person is expected to attend class regularly and contribute to the class discussion. Points will be deducted for failing to attend class without notification, and points will be awarded for contributing to class discussion.

Course Website on Sakai: Students are automatically enrolled in a **Sakai** website for this course at the beginning of the term. Access to this course website on **Sakai** is obtained via <http://sakai.luc.edu>. Once you have logged in, select this course. Downloads for the course are available under **Resources**.

Course Outline

<u>Week</u>	<u>Date</u>	<u>Cases</u>	<u>Topics</u>
1	11/14	<i>The Dabbawala System: On-Time Delivery, Every Time</i>	Introduction to Service Operations (Chapter 1)
2	11/21	<i>Pharmacy Service Improvement at CVS (A)</i>	Managing Capacity and Demand (Chapter 11)
3	11/28	<i>Harrah's Entertainment, Inc.: Rewarding Our People</i>	Yield Management and Marginal Analysis for Capacity Planning (Chapters 11 and 15)
4	12/5	<i>Hong Kong Disneyland: Where is the Magic?</i>	Economies of Scale
5	12/12	<i>Southwest Airlines 2002: An Industry Under Siege</i>	Queuing Analysis for Capacity Planning (Chapters 12 and 13)
☺	12/19 - 1/16		Winter Break (No Classes)
6	1/23	<i>Taco Bell Inc. (1983-1994)</i>	Production Process Layout (Chapters 5 and 7)
7	1/30	<i>The Ritz-Carlton Hotel Company</i>	Service Quality and Productivity (Chapters 6 and 7)
8	2/6	<i>Zappos 2009: Clothing, Customer Service and Company Culture</i>	E-Service (Chapters 2, 3, 9, and 10) Review for Final Exam
9	2/13		Presentations of Papers
10	2/20		Final Exam

OPMG 483 - Management of Service Operations

The first case assignment is due on 11/14. Read *Dabbawala System: On-Time Delivery, Every Time*. Be prepared for class discussion. Submit a report addressing the following:

1. Describe the history of the *Dabbawala* System. Who do the *Dabbawalas* serve, and what service do they provide?
2. Discuss operations related to the *Dabawala* System.
3. Should the *Dabawalas* pursue advanced technology? Explain.
4. What is the future of the *Dabawala* System?

The second case assignment is due on 11/21. Read *Pharmacy Service Improvement at CVS (A)*. Be prepared for class discussion. Submit a report addressing the following:

1. Describe the existing pharmacy fulfillment process at *CVS*, and discuss problems with this process.
2. Recommend changes to improve this process. What IT changes are needed to support your recommendations?

The third case assignment is due on 11/28. Read *Harrah's Entertainment, Inc.: Rewarding Our People*. Be prepared for class discussion. Submit a report addressing the following:

1. Describe the evolution of *Harrah's* operating strategy and the source of its competitive advantage.
2. Describe how *Harrah's* has aligned its HR practices with its strategy.
3. Update the *Harrah's* story.

The fourth case assignment is due on 12/5. Read *Hong Kong Disneyland: Where is the Magic?* Be prepared for class discussion. Submit a report addressing the following:

1. Compare the histories, operations, and relative successes of *Disney's* theme parks in the U.S., Japan, Europe, and Hong Kong.
2. What lessons should *Disney* take away from these experiences?
3. What is the next step for *Disney*?

The fifth case assignment is due on 12/12. Read *Southwest Airlines 2002: An Industry Under Siege*. Be prepared for class discussion. Submit a report addressing the following:

1. How does *Southwest* make money even when other airlines don't? What are the most important contributors to its success?
2. How should management respond to the fact that *Southwest* has fallen to next-to-last place among major airlines in on-time performance as of September 2002?
3. Analyze *Southwest's* long-term growth strategies.
4. Update the *Southwest* story.

The sixth case assignment is due on 1/23. Read *Taco Bell Inc. (1983-1994)*. Be prepared for class discussion. Submit a report addressing the following:

1. Analyze the strategies and operations of *Taco Bell* between 1983 and 1994.
2. Can its major competitors easily copy *Taco Bell*? Explain.
3. Update the *Taco Bell* story.

The seventh case assignment is due on 1/30. Read *The Ritz-Carlton Hotel Company*. Be prepared for class discussion. Submit a report addressing the following:

1. Discuss the strategic model of *The Ritz-Carlton*. Who does *The Ritz-Carlton* compete with in Chicago?
2. Discuss operations at *The Ritz-Carlton*. In particular, analyze the hotel-opening process and potential improvements to it.
3. Update *The Ritz-Carlton* story.

The eighth (and final!) case assignment is due on 2/6. Read *Zappos 2009: Clothing, Customer Service and Company Culture*. Be prepared for class discussion. Submit a report addressing the following:

1. Describe the history of *Zappos*.
2. What are the 3 C's of *Zappos*? Discuss each one.
3. Update the *Zappos* story.