Overview
Dictionaries define service as, among other things, "a useful labor that does not produce a tangible product." For the purposes of this course, "services" will be interpreted to include all activities in which a service is provided (even though products may be included and the end product may be tangible) that produces results for and, in some cases, actually changes customers.

In the past decades, the U.S. manufacturing sector has struggled to recover from vast competitive forces in the international marketplace. Many experts believe that the next competitive challenge for the U.S. will occur in service industries. Data exists depicting the status of the U.S. service sector performance as well below that of manufacturing. Furthermore, trends exist showing an increasing rate of entry by international firms to service sector markets.

This course will focus on the analysis of service sector performance and methods designed to improve service sector competitiveness. Special emphasis will be placed on the impact of new technologies.

Industries and Topics
Some of the industries included in the course are:

- health care
- banking
- food service
- insurance
- telecommunications
- retail
- government agencies
- airlines
- transportation/distribution

The topics addressed which cut across all industries include: productivity; quality; work force management; process design; location; capacity planning; effect of new technology; international issues.

Course Materials
The method of course delivery will include cases, readings (both practitioner and research), homework problems, and student group papers.

(i) 2-person student groups will submit a typed detailed analysis of two cases, each limited to 5 pages (excluding tables or figures) (double-spaced, 12 point font).

(ii) Numerical problem assignments will be completed throughout the semester. The problems have been selected corresponding to a variety of topics covered in the course.

Grading:
(i) detailed cases (2-person groups) 15%
(ii) problem assignments 10%
(iii) Examination I 25%
(iv) Examination II 25%
(v) Final Examination 25%

Attendance Policy
Class attendance is not mandatory, however, you are responsible for all material covered in class. No make-up exams will be given. You can make arrangements for exams to be taken early for excused absences.
Schedule for Management 4260
All readings should be completed prior to the start of class on the specified day.

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<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Reading</th>
<th>Written Assignment</th>
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<tbody>
<tr>
<td>8/16</td>
<td>The Nature of Services: Introduction and Taxonomy</td>
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<td>8/21</td>
<td>The Nature of Services: Introduction and Taxonomy</td>
<td>• Beefing Up Operation in Service Firms</td>
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<td>8/23</td>
<td>The Nature of Services: Introduction and Taxonomy</td>
<td>• Beefing Up Operation in Service Firms</td>
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<td>8/28</td>
<td>The Nature of Services: Introduction and Taxonomy</td>
<td>• How Can Businesses Survive and Prosper</td>
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<td>• Where Does the Customer Fit in a Service Operation?</td>
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<td>8/30</td>
<td>Managing Service Location</td>
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<td>9/04</td>
<td>Managing Service Location</td>
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<td>9/06</td>
<td>Case Study</td>
<td>• Westjet: The Pearson Decision                              Detailed Case #1 Due</td>
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<td>9/11</td>
<td>Services in the global economy Case Study</td>
<td>• The Internationalization of Services</td>
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<td>9/13</td>
<td>Process Design Review for Exam I</td>
<td>• Euro-Disney</td>
<td>Homework #1 Due</td>
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<td>9/18</td>
<td>EXAM I</td>
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<td>Process Design</td>
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<td>Work Force Measurement</td>
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<td>10/04</td>
<td>Case Study</td>
<td>• The Empowerment of Service Workers: What, Why, How, and When</td>
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<td>• The Ritz-Carlton Hotel Company</td>
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<td>10/09</td>
<td>Service Quality</td>
<td>• Understanding, Measuring, and Improving Service Quality: Finding from a Multiphase Research Program</td>
<td>Homework #2 Due</td>
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<td>10/11</td>
<td>Service Quality</td>
<td>• Understanding, Measuring, and Improving Service Quality: Finding from a Multiphase Research Program</td>
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<td>• Six Sigma Meets the Service Economy</td>
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<td>10/16</td>
<td>Case study Service Recovery</td>
<td>• Blue Mountain Resorts</td>
<td>Detailed Case #2 Due</td>
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<td>• Zero Defections: Quality Comes to Services</td>
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<td>10/18</td>
<td>Case Study Review for Exam II</td>
<td>• The Profitable Art of Service Recovery</td>
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<td>• Northwest Airlines</td>
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<td>Capacity Planning</td>
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<td>Waiting Line Analysis</td>
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<td>11/06</td>
<td>Waiting Line Analysis Simulation</td>
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<td>11/08</td>
<td>Case Study</td>
<td>• Southwest Airlines in Baltimore</td>
<td>Homework #3 Due</td>
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<td>11/13</td>
<td>The Impact of Technology</td>
<td>• The Productivity Paradox of Information Technology</td>
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<td>• The Productivity Paradox Revisited</td>
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<td>11/15</td>
<td>Case Study</td>
<td>• Four Seasons Resorts</td>
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<td>11/20</td>
<td>Study Session</td>
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Case Questions - Management 4260

Westjet: The Pearson Decision

1. What are the key aspects of Westjet’s current business model?
2. What are the implications of operating a base at Pearson compared to Hamilton? Would moving operations change Westjet’s costs? Would moving affect Westjet’s service? How?
3. Who are Westjet’s competitors at the time of the case? Will these competitors change if Westjet moves to Pearson? Will the nature of the competition change if Westjet moves?
4. What risks does Westjet face if it decides to move to Pearson? If it does not move?
5. Would you move Westjet’s Eastern base of operations from Hamilton to Pearson? If you decided to move the operations, would you try to keep the operation as it is or make some changes? Describe those changes.

Euro Disney: The First 100 Days

1. Assess Disney’s decision to build a theme park in Europe. How can such a decision be evaluated, and was it a wise one?
2. What is Euro Disney’s target market, and what are the implications for the development and organization of the park?
3. What aspects of the traditional Disney theme park formula, in terms of park design and service design, might prove to be transferable to Euro Disney, and which might prove to be specific to the United States and/or Japan? In general what issues should a company think through before extending a successful service concept across cultural boundaries?
4. Assess the implementation of Euro Disney’s service delivery system. What could the company have done differently?
5. Should Euro Disney proceed with the next step of development?
6. What lessons has Euro Disney learned which could be applied to the development of the second theme park? Should the park be adapted for the local market from the U. S. model, and if so, in what ways? Should Euro Disney proceed with the next step of development? What recommendations would you make regarding staffing, training, and general management?
Intermountain Health Care

1. How well is Intermountain Health Care performing?
2. What is Intermountain’s approach to the management of health care delivery? Is this a production line?
3. Why does Intermountain do it this way?
4. Why don’t all health care delivery organizations do this?

The Ritz-Carlton Hotel Company

1. “Service” can be an elusive concept. What is the essence of The Ritz-Carlton experience? What is The Ritz-Carlton selling?
2. How does The Ritz-Carlton create “Ladies and Gentlemen” in only 7 days?
3. In what may be a first for the hospitality industry, Brian Collins, hotel owner, has asked James McBride, Ritz-Carlton general manager, to lengthen the amount of time spent training hotel employees before hotel opening. Should McBride lengthen the 7 Day Countdown?
4. Or, is this the time that McBride should consider a total overhaul of the hotel operating process? If yes, what should he change, and how should he go about doing it? What is different about experimenting in a service business?

Blue Mountain Resorts: The Service Quality Journey

1. What are your impressions of the service quality program at Blue Mountain? What do you like about the program? What do you think should have been done differently?
2. How would a skier or snowboarder define quality? How is this different from someone visiting Blue Mountain’s golf course in summer?
3. Why did the company consider implementing a service quality system in 1991? How does service influence employee morale?
4. What is your evaluation of the three SWOP proposals? What action would you take and why?

Northwest Airlines and the Detroit Snowstorm

1. Why all this fuss? (The situation resulted in at least 4 WSJ articles, involvement of a U.S. Congressman, investigation by the Department of Transportation, lawsuits.) How bad was the situation. How much of what went wrong was inconvenience, how much was safety--how bad was each component?
2. Exactly what occurred? Did this have to happen? What could NWA have done differently?
3. What should NWA do about this situation?
4. Who is responsible, and why? Was the cause of the situation an "act of God" (the weather) or some organization? If an organization was responsible, which was it?
5. What are the implications of all of the above? (What can the whole episode mean for NWA in the short and long term?)

Southwest Airlines in Baltimore

1. How does Southwest Airlines (SWA) compete? What are its advantages relative to other airlines?
2. The plane turnaround process requires coordination among twelve functional groups at SWA to service, in a brief period of time, an incoming plane and match it up with its new passengers and baggage for a prompt departure. Evaluate the plane turnaround process at Baltimore. How is the process working?
3. Why is operational performance at Baltimore eroding? What issues require action? How do these issues relate to service quality?
4. What would you recommend Matt Hafner do?
Four Seasons Hotels and Resorts

1. What distinguishes the Four Seasons Hotels and Resorts chain in the marketplace?
2. How does Four Seasons deliver service in their properties around the world?
3. How do Four Season’s managers think about what should be centralized and what should be decentralized?
4. How does Four Seasons use technology? If Four Seasons had a “technology strategy” what would it be? Do you agree with it?
5. What role do you see for the Four Seasons’ Internet site? Should it be used to lower costs or enhance revenues? How important is it for Four Seasons’ financial objectives?

Transforming Singapore’s Public Libraries

1. Why did Singapore decide to change its libraries? How significant was the change, and how would you characterize it from a strategic perspective? What is the equivalent to this change for a typical for-profit company?
2. Who was the Singapore library system’s “customer”? What was the “product”?
3. How did the type of service delivered and service levels change?
4. What important elements of the library system didn’t change? Why? Was this a failure in the change management or was it intentional?
5. What were the key components of the change effort? Why were they important? Do they relate to one another?
6. Was the order in which things happened important? Why or why not?
7. Reengineering often fails. Did this reengineering succeed? If so/if not, why?