# MIDDLE EAST TECHNICAL UNIVERSITY DEPARTMENT OF BUSINESS ADMINISTRATION BA 4616/5616— Services Management Monday — Wednesday 12:30-14:05

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Office Hours:	Monday, Wednesday 16:00 – 17:15 or by appointment
Course Web Page: <a href="https://odtuclass2021f.metu.edu.tr/course/view.php?id=1440">https://odtuclass2021f.metu.edu.tr/course/view.php?id=1440</a>	

#### Course Prerequisite: BA 2601 Operations Management

#### Course Description:

The service sector has a significant role in the economy of nations. Services range from transportation, to communications, health care, education, trade and finance, to name only a few.

Operations management has frequently focused on tools and concepts that are more applicable to manufacturing organizations. On the other hand, by the nature of their operations, service organizations exhibit distinct characteristics which are not found in manufacturing firms. Whilst in manufacturing goods are produced away from the customer and stored to meet demand, the creation and consumption of a service occur almost simultaneously, and the customer is often present or involved in the creation of the service. The management of service operations therefore involves the consideration of a number of situations not encountered in manufacturing firms.

This course is designed to underline the inherent characteristics of service operations. Part I covers the nature of services, the unique characteristics of services, and the service package and service delivery system. Part II explores the applicability of Operations Management concepts to service industries, the modifications required and new techniques in all major areas such as service design, layout, location, capacity management, quality, and strategy.

# Course Student Learning Objectives: (CSLOs)

## Upon successful completion of this course, students should be able to:

#### Course Specific Skills:

- 1. Understand the taxonomy of services
- 2. Distinguish between the explicit and implicit benefits of services
- 3. Distinguish the unique characteristics of services
- 4. Understand how the degree of contact affects management decisions
- 5. Understand the implications of the service content
- 6. Determine service levels
- 7. Integrate service levels, the service delivery system and service levels
- 8. Know which techniques in specific areas of operations management apply to services

#### Discipline Specific Skills:

- 9. Recognize the challenges faced by managers in the service industry
- 10. Assess the proportion of goods in services and the proportion of services in manufacturing
- 11. Identify the managerial impact of each element of the service package
- 12. Assess the implications of the degree of contact on the management of services
- 13. Foresee the movement of service firms along the goods-services spectrum
- 14. Relate service levels to quality
- 15. Evaluate the spectrum of techniques for services management

#### Personal and Key Skills:

- 16. Understand the evolving role of managers in the service industry
- 17. Be proactive in responding to simultaneity in service production and consumption

- 18. Understand the difference between manufacturing and service management decisions for each major area in operations management
- 19. Apply the concepts covered in the course to case discussions

## Learning and Teaching Methods:

Formal lectures. During Part I and Part II in-class case exercises will be conducted.

In addition, students will be assigned cases to be prepared and presented in class by groups of 3 to 4 people. Each group will have to submit a formal case report one week after the class presentation. All students have to prepare for each case.

## Required Reading:

Bordoloi, S., Fitzsimmons, J.A., Fitzsimmons, M.J., Service Management: Operations, Strategy, Information Technology (9th edition), McGraw-Hill/Irwin, 2019.

Assessment and Grading:							
Form of		Size of the	CSLOs covered by the	Feedback			
Assessment	% Contribution	assessment	assessment	Method			
On-line Mid-Term Exam	30	Essay questions, 50 minutes	1,2,3,4,5,6,7,8,9,10,11,12,13,14, 15, 16,17,18	Written and oral			
Case Study Presentation and Report	30	In class presentation and discussion 75 minutes per group, and formal written report	1 to 19	Written and oral			
On-line Final Exam	40	Essay questions, 90 minutes	1 to 19	Written			

### **Course Policies:**

**PRESENTATION SLIDES:** The presentation slides are available at the course web page on ODTUClass. These slides can be used as chapter summaries and utilized while taking down notes during class.

**COURSE REQUIREMENTS:** Attendance is mandatory in this course. Past experience repeatedly demonstrated that students who regularly attend class perform <u>significantly</u> better than students who have an intermittent attendance.

STUDENT DISABILITIES: Any student, who, because of a disabling condition, may require special arrangements in order to meet course requirements, should contact the instructor as soon as possible. Students should present the appropriate documentation from the university's <u>Disability Support Office (Engelsiz ODTÜ Birimi, ODTÜ Kütüphanesi, Solmaz İzdemir Salonu, Tel: 210.7196; engelsiz@metu.edu.tr) verifying their disability, and outlining the special arrangements required. Please note that no accommodations will be provided to the disabled students prior to the completion of this approved University process.</u>

**ACADEMIC DISHONESTY:** The Department of Business Administration has no tolerance for acts of academic dishonesty. Such acts damage the reputation of METU, the Department and the BS degree and demean the honest efforts of the majority of the students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam.

CHEATING: All university, faculty/institute, and department principles on academic honesty will be strictly enforced. The usual consequence for academic dishonesty is failure of the course and referral of the case to the Dean of the Faculty for additional disciplinary action. Examinations are individual and are to be completed without outside assistance of any sort. Persons observed cheating during examinations will receive a failing grade in the course. Homework assignments are individual, unless otherwise specified by the instructor, and are to be completed without outside assistance of any sort, as well. Persons observed cheating in their homework assignments will receive a score of zero for the portion of the semester grade that is allocated to such assignments.

**PLAGIARISM:** The instructor assumes that students will do their own work. By placing their names on assignments (individual or team), students are affirming that the contents are their original work. Any previous work available from files or past students, as well as materials available on the internet may be used only as a suggestive model. Violation of this provision will be considered as unethical behavior, subject to disciplinary action. If you have any doubt about the use of a specific material, see the instructor ahead of time. Any material used from outside sources should be referenced appropriately. Persons observed to plagiarize will be referred to the Dean of the Faculty for additional disciplinary action and also they will receive a score of zero for the portion of the semester grade that is allocated to such assignments.

#### METU HONOR CODE

Every member of the METU community adopts the following honor code as one of the core principles of academic life and strives to develop an academic environment where continuous adherence to this code is promoted.

"The members of the METU community are reliable, responsible and honorable people who embrace only the success and recognition they deserve, and act with integrity in their use, evaluation and presentation of facts, data and documents."

**CIVILITY IN THE CLASSROOM:** Students are expected to assist in maintaining a classroom environment which is conducive to learning. In order to assure that all students have an opportunity to gain from time spent in class, unless otherwise approved by the instructor, students are prohibited from using laptop computers and cellular phones, making offensive remarks, reading newspapers, sleeping, or engaging in any other form of distraction. Inappropriate behavior in classroom shall result, minimally, in a request to leave class.

Past observations have shown that the METU classroom experience is improved when the following are true:

**Students arrive on time.** Timely arrival ensures that classes are able to start and finish at the scheduled times. Timely arrival shows respect for both fellow students and faculty and it helps to create a better learning environment by reducing avoidable distractions.

**Students are fully prepared for each class.** Much of the learning in this course takes place during classroom discussions. When students are not prepared, they cannot contribute to the learning process.

Students respect the views and opinions of their colleagues. Disagreement and debate are encouraged; however, intolerance for the views of others is unacceptable.

KNOW YOUR RIGHTS AND RESPONSIBILITIES! http://oidb.metu.edu.tr/en/academic-rules-and-regulations

Month	Day	Topic	Chapter	CSLO
	18	The Role of Service Operations	1	
October		Service Definition		1,9,16
		Service Taxonomy		
	20	The Service Experience		
		The Nature of Services	2	
	25	Goods vs Services Spectrum		2 2 4 10 11 12 17
	25	The Service Package		2,3,4,10,11,12,17
		Degree of Contact and Management Decisions		
	27	Unique Characteristics of Services		
November	1	Strategic Service Classification		
	3	In-Class Case		
	_	The Service Package and Service Delivery System	3	F 6 7 40 42 4 4
	8	Service Content		5,6,7,10,13,14
	10	Service Levels		
	4.5	New Service Development and Process Design	4	0.45.40
	15	Service Design		8,15,18
	17	Process Selection		
_	22	In-Class Case		
		Facility Design and Layout	5	
	24	Facility Design		8,15,18
		Facility Layout		
	29	In-Class Layout Problem Examples		
December	1	Mid-Term Exam, 12:30		
	6	Facility Location	6	8,15,18
	_	Capacity Management	7	
	8	Demand Strategies		8,15,18
	13	Supply Strategies		
	15	Yield Management		
		Service Quality	8	
	20	Definition	,	8,15,18
		Challenges		, ,
	2.5	Dimensions of Service Quality		
	22	Gaps in Service Quality		
	27	Quality by Design		
	29	Achieving Service Quality		
		Service Strategy	9	
January	3	Strategic Service Concept		8,15,18
,		Competitive Service Strategies		, ,
	5	Service Purchase Decision		
		In-Class Case		
	10	Case Presentation		19
	12	Case Presentation		
	17	Case Presentation		
	19	Case Presentation		
	27	FINAL EXAM, 16:30		
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