

San Jose State University  
 Department of Hospitality, Recreation and Tourism Management  
 BUS/HSPM 147 Service Operations Management  
 Fall 2009

## 1. COURSE INFORMATION

**Instructor:** Dr. Tsu-Hong Yen, Associate Professor  
 Department of Hospitality, Recreation and Tourism Management  
 San Jose State University

Course Title:	Service Operations Management
Course Code:	47543 (BUS 147), 48921 (HRTM 147)
Section:	1
Class Hours:	Monday and Wednesday 3:00 – 4:15 pm
Classroom:	BBC 102
Office Hours:	Monday and Wednesday, 1:00 – 3:00 pm Tuesday and Thursday, 10:30 am – noon
Office Location:	SPX 53
Office Phone:	(408) 924-3292
E-mail:	<a href="mailto:yen@casa.sjsu.edu">yen@casa.sjsu.edu</a> (preferred communication method)
Final examination:	December 16, 12:15 – 14:30 pm

## 2. COURSE DESCRIPTION

### Course Overview and Description:

Develop skills in setting formal standards for product attributes and operating procedures that comprise service experience. Topics include categories of services, indirect and direct consumption, psychological/social characteristics of the consumer/server encounters, enhancing ability to monitor service quality, and total quality management.

This course explores the dimensions of successful service firms and search for the opportunities to apply them from an integrated viewpoint with a focus on customer satisfaction. It prepares students for enlightened management and suggests creative entrepreneurial opportunities. The material will integrate operations, marketing, strategy, information technology, and organizational issues. Outstanding service organizations are managed differently than their “merely good” competitors. Actions are based on totally different assumptions about the way success is achieved. The results show not only in terms of conventional measures of performance, but also in the enthusiasm of the employees and quality of customer satisfaction. Beginning with the service encounter, service managers must blend people, marketing, technology, and information to achieve a distinctive competitive advantage.

### Required and recommended texts, readers, or other reading materials:

#### Textbook

Fitzsimmons, J.A., and Fitzsimmons, M.J. (2008). Service Management: Operations, Strategy, and Information Technology, 6<sup>th</sup> ed. New York, NY: McGraw Hill/Irwin.  
 Textbook website: [www.mhhe.com/fitzsimmons6e](http://www.mhhe.com/fitzsimmons6e)

Disney Institute. (2001). Be Our Guest, Perfecting the art of customer service. New York, NY: Disney Edition.

#### Readings

Pine, B. J. & Gilmore, J. H. (1998). Welcome to the experience economy. *Harvard Business Review*, July-August, p. 97-105.  
You can download this article from the Library or the WebCT course shell, <http://sjsu.webct.com>.

Recommended Reading:

Michelli, J. A. (2008). *The New Gold Standard—The Ritz-Carlton Hotel Company*. New York, NY: McGraw Hill.

Pine, B. J., & Gilmore, J. H. (1999). *The Experience Economy*. Boston, MA: Harvard Business School.

### Student Learning Objectives for the Course:

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

1. describe the operations of successful service firms that can be benchmarks for future management practice;
2. understand the “state of the art” of service management thinking;
3. aware of the opportunities that information technology can have for enhancing competitiveness;
4. explain the organizational significance of managing the service encounter to achieve internal and external customer satisfaction;
5. describe the concepts of service quality and customer satisfaction and apply various models to measure service quality;
6. understand the dimensions of service growth and expansion both domestically and internationally;
7. explore the entrepreneurial opportunities in the service industry;
8. apply the knowledge learned in this course to an actual service business.

### 3. COURSE REQUIREMENTS

a) Participation

Participation in this course is expected. It accounts for **10%** of your grade. To receive maximum benefit from this course, you are expected to attend all classes, come prepared, and actively participate in the discussion. Late arrival and early departure in class are marks of disrespect, unprofessional, and interrupt class. Please be on time. Evaluation of participation will be based on participation in class discussions and exercises, homework, assignments, Internet exercises, and pop-quizzes.

b) Quizzes

c) Dining experience paper (1000 words, due **9/28**)

Use Pine and Gilmore’s five principles of service experience design to evaluate and compare two different dining experiences, e.g., one fast food restaurant and one full-service restaurant. Use the questionnaire given to you to record the important time points of your dining process and the expenses, i.e., arrive, take to the table, take order, serve drink, serve main dish, finish main dish, serve dessert, finish dessert, pay and leave, etc.

d) Service observation paper, **due 12/2**

This research paper requires observing service process of Jamba Juice, Starbucks, or another store. Details will be given in class.

e) Clean Sweep Inc. Case, p. 136

f) Mid-term Examination

The format of mid-term examination may be true/false, multiple choice, short answer, and/or problem. The instructor will not administer make-up examination unless there is an acceptable excuse. If you know that you will not be able to take an exam during its scheduled time, please inform the instructor and make appropriate arrangements.

g) Final Examination

The final examination will be a comprehensive examination with more weight on the materials covered after the mid-term examination.

**4. GRADING INFORMATION**

Assignment	Weight	Point earned
a) Participation	10	
b) Quizzes	10	
c) Dining experience paper	15	
d) Service observation paper	15	
e) Clean Sweep Inc. Case	10	
f) Mid-term examination	20	
g) Final examination	20	
Total	100	

Grading Percentage Breakdown

Total Points	Letter Grade
94% and above	A
93% - 90%	A-
89% - 87%	B+
86% - 84%	B
83% - 80%	B-
79% - 77%	C+
76% - 74%	C
73% - 70%	C-
69% - 67%	D+
66% - 64%	D
63% - 60%	D-
<b>below 60%</b>	<b>F</b>

Grading Rubric for Writing Assignments

Letter Grade	Description
A--Excellent	Exceeds all criteria of the assignment. Work makes unique, innovative, creative, and critical interpretations and contributions.
B--Above Average	Fulfills the criteria of the assignment with above average effort. Work demonstrates accurate interpretation of both basic and complex information and concepts. Student shows modest capacity for independent thought, problem-solving, and/or

	synthesis.
C--Average	Fulfills the basic criteria of the assignment. Work demonstrates average knowledge and application of information and concepts leaving most ideas undeveloped or unsupported.
D--Below	Does not meet the basic criteria of the assignment. Work demonstrates incomplete/weak knowledge and lack of an ability to apply basic information and concepts.

## 5. TENTATIVE SCHEDULE

The instructor reserves the right to revise this tentative schedule in order to enhance the achievement of learning objectives. Any revision will be announced in class and through e-mail. It is the student's responsibility to be aware of all classroom discussions, assignments, and changes in course requirements.

Wk	Day	Date	Readings and Discussion Topics	Study Activities
1	M	8/24	Introduction	Explore the resources available at the textbook's online learning center, <a href="http://www.mhhe.com/fitzsimmons6e">www.mhhe.com/fitzsimmons6e</a> .
	W	8/26	<b>Ch. 1 The role of services in an economy</b> <ul style="list-style-type: none"> <li>• Service experience design</li> <li>• Pine &amp; Gilmore (1998) Welcome to the experience economy (W)</li> </ul>	Internet research: Vegas Today and Tomorrow <a href="http://www.vegastodayandtomorrow.com">www.vegastodayandtomorrow.com</a>  <b>2009</b> Fortune 500, <a href="http://www.fortune.com">www.fortune.com</a>
2	M	8/31	<ul style="list-style-type: none"> <li>• Growth of service</li> <li>• Aging of the population and growth of service</li> </ul>	Internet research: Sun City by Del Webb Active Adult Living <a href="http://www.delwebb.com">www.delwebb.com</a> Occupational Outlook Handbook <a href="http://www.bls.gov/oco/">http://www.bls.gov/oco/</a>
	W	9/2	<b>Ch. 2 The Nature of services</b> Be Our Guest discussion	<ul style="list-style-type: none"> <li>• <b>Case: Village Volvo</b> Visit a local car dealer, find out its service package, and compare it with Village Volvo's.</li> <li>• <b>Case: XPRESSO Lube</b> Visit an express oil change shop, find out its service package, and compare it with XPRESSO Lube.</li> </ul>
3	M	9/7	<b>Labor Day no class</b>	
	W	9/9	<b>Theme: Disney (video)</b>	Internet research: Walt Disney World, <a href="http://www.disneyworld.com">www.disneyworld.com</a>
4	M	9/14	<b>Ch. 3 Service strategy</b>	Internet research: Movie technology IMAX technology
	W	9/16		<ul style="list-style-type: none"> <li>• <b>Case: United Commercial Bank and El Banco</b></li> </ul>

				<ul style="list-style-type: none"> <li>• <b>Case: The Alamo Draffhouse</b> Is a Draffhouse in San Jose possible?</li> </ul>
5	M	9/21	<b>Ch. 4 New service development</b>	Business model of the low-fare airlines
	W	9/23	<b>Service blue print</b>	<ul style="list-style-type: none"> <li>• <b>Case: 100 Yen Sushi House</b> Visit a sushi restaurant in San Jose and study its operations.</li> <li>• <b>Case: Golfsmith</b> Visit a Golfsmith shop. Draw a service blueprint for <b>in store operations</b>.</li> </ul>
6	M	9/28	<b>Ch. 5 Technology in Services</b> Telecommunication, Internet and Service Self-service, VoIP, RFID  <b>Service Experience Paper Due</b>	<b>Extra Credit: Visit the Computer History Museum in Mountain View</b> Internet research: AT&T, <a href="http://www.att.com">www.att.com</a> 7-eleven, <a href="http://www.7-eleven.com">www.7-eleven.com</a> <a href="http://www.skype.com">www.skype.com</a>
	W	9/30	<b>GPS and travel technology</b>	<ul style="list-style-type: none"> <li>• <b>Case: Evolution of B2C E-Commerce in Japan</b> Interview students from Japan or Taiwan and find out how 7-11 operates in their countries.</li> <li>• <b>Case: Amazon.com</b> Compare Amazon.com and ebay.com.</li> </ul>
7	M	10/5	<b>Ch. 6 Service Quality</b>	<ul style="list-style-type: none"> <li>• <b>Case: Clean Sweep</b> Bring a calculator to class Internet research: The Leadership Center at Ritz Carlton, <a href="http://www.ritzcarlton.com">www.ritzcarlton.com</a></li> </ul>
	W	10/7	<ul style="list-style-type: none"> <li>• <b>SERVQUAL: A Multiple-Item Scale for measuring Consumer Perceptions of Service Quality (W)</b></li> <li>• <b>SERVQUAL Instrument</b></li> </ul> Analysis of service quality survey data	Bring a calculator to class
8	M	10/12	<b>Mid-term examination (Chs. 1, 2, 3, 4, 5, 6, and Be Our Guest)</b>	
	W	10/14	<b>Ch. 7 Process Improvement</b>	
9	M	10/19	<b>Faculty Furlough Day</b>	Internet research: Baldrige National Quality Program (W) <a href="http://www.quality.nist.gov">www.quality.nist.gov</a> ISO, <a href="http://www.iso.ch">www.iso.ch</a>
	W	10/21	Service failure and recovery	JetBlue 2007 Valentine Fiasco Case
10	M	10/26	<b>Ch. 8 Service Encounter</b> Self-Monitoring Impression Management	<ul style="list-style-type: none"> <li>• Bring a mirror to class.</li> <li>• Internet research</li> <li>• The Marriott Management Philosophy, <a href="http://www.marriott.com">www.marriott.com</a> Disney, <a href="http://www.disney.com">www.disney.com</a></li> </ul>
	W	10/28	Service Etiquette (W)	<ul style="list-style-type: none"> <li>• <b>Case: Amy's Ice Cream</b></li> </ul>

			Moment of Truth (W)	<ul style="list-style-type: none"> <li>• Case: Enterprise Rent-A-Car</li> </ul>
11	M	11/2	Ch. 9 The Supporting Facility	<ul style="list-style-type: none"> <li>• Case: Central Market</li> <li>•</li> </ul>
	W	11/4	Ch. 17 Forecasting Demand for Services, p. 449 – 454.	<ul style="list-style-type: none"> <li>• Gnomial Functions, Inc. (p. 473)</li> <li>• Delphi method exercise</li> </ul>
12	M	11/9	Ch. 11 Managing Capacity and Demand	Internet research: SABRE, <a href="http://www.sabre.com">www.sabre.com</a> Amadeus, <a href="http://www.amadeus.com">www.amadeus.com</a> Worldspan, <a href="http://www.worldspan.com">www.worldspan.com</a> Galileo, <a href="http://www.galileo.com">www.galileo.com</a> GNE, GDS New Entrants
	W	11/11	Veteran's Day, no class	
13	M	11/16		<ul style="list-style-type: none"> <li>• Case: The Yield Management Analyst</li> </ul>
	W	11/18	Faculty Furlough Day	Visit a Whole Foods Market and study its operations. Visit an IKEA store and study its layout, <a href="http://www.ikea.com">www.ikea.com</a>
14	M	11/23	Ch. 12 Managing Waiting Lines	<ul style="list-style-type: none"> <li>• Case: Eye'll Be Seeing You</li> </ul> Internet research: Disney Fastpass, <a href="http://www.disney.com">www.disney.com</a>
	W	11/25	Ch. 14 Growth and Globalization of Services  US Service companies in other countries  Foreign service companies in the US  Global Impact of FedEx on the New Economy	<ul style="list-style-type: none"> <li>• Case: Federal Express</li> </ul> Internet research FedEx, <a href="http://www.fedex.com">www.fedex.com</a>
15	M	11/30	Faculty Furlough Day	Internet research: McDonald's around the world, <a href="http://www.mcdonalds.com">www.mcdonalds.com</a>
	W	12/2	Ch. 14 Growth and Globalization of Services	
16	M	12/7	Course review	
<b>Final Exam</b>			<b>December 16, 12:15 – 14:30 pm</b>	

## 6. UNIVERSITY, COLLEGE, OR DEPARTMENT POLICY INFORMATION

### a) Academic integrity statement (from Office of Judicial Affairs):

"Your own commitment to learning, as evidenced by your enrollment at San José State University and the University's Academic Integrity Policy requires you to be honest in all your academic course work. Faculty are

required to report all infractions to the Office of Judicial Affairs. The policy on academic integrity can be found at <http://www2.sjsu.edu/senate/S04-12.pdf>

**b) Campus policy in compliance with the Americans with Disabilities Act:**

"If you need course adaptations or accommodations because of a disability, or if you need special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Direction 97-03 requires that students with disabilities register with DRC (Disability Resource Center) to establish a record of their disability."

**c) College of Business Policies and Procedures:**

*Mission*

*The College of Business is the institution of opportunity, providing innovative business education and applied research for the Silicon Valley region.*

Please check the url at [http://www.cob.sjsu.edu/cob/5\\_STUDENT%20SERVICES/cobpolicy.htm](http://www.cob.sjsu.edu/cob/5_STUDENT%20SERVICES/cobpolicy.htm)

To ensure that every student, current and future, who takes courses in the **Boccardo Business Center**, has the opportunity to experience an environment that is safe, attractive, and otherwise conducive to learning, the College of Business at San José State has established the following policies:

**Eating:**

Eating and drinking (except water) are prohibited in the Boccardo Business Center. Students with food will be asked to leave the building. Students who disrupt the course by eating and do not leave the building will be referred to the Judicial Affairs Officer of the University.

**Cell Phones:**

Students will turn their cell phones off or put them on vibrate mode while in class. They will not answer their phones in class. Students whose phones disrupt the course and do not stop when requested by the instructor will be referred to the Judicial Affairs Officer of the University.

**Computer Use:**

In the classroom, faculty allow students to use computers only for class-related activities. These include activities such as taking notes on the lecture underway, following the lecture on Web-based PowerPoint slides that the instructor has posted, and finding Web sites to which the instructor directs students at the time of the lecture. Students who use their computers for other activities or who abuse the equipment in any way, at a minimum, will be asked to leave the class and will lose participation points for the day, and, at a maximum, will be referred to the Judicial Affairs Officer of the University for disrupting the course. (Such referral can lead to suspension from the University.) Students are urged to report to their instructors computer use that they regard as inappropriate (i.e., used for activities that are not class related).

**Academic Honesty:**

Faculty will make every reasonable effort to foster honest academic conduct in their courses. They will secure examinations and their answers so that students cannot have prior access to them and proctor examinations to prevent students from copying or exchanging information. They will be on the alert for plagiarism. Faculty will provide additional information, ideally on the green sheet, about other unacceptable procedures in class work and examinations. Students who are caught cheating will be reported to the Judicial Affairs Officer of the University, as prescribed by [Academic Senate Policy S04-12.](#)

## 7. APPENDIX

- E-mail Announcements  
The instructor will use e-mail to make course-related announcements. It is the student's responsibility to provide the instructor with correct e-mail address and to read e-mail regularly. Please send an e-mail to [yen@casa.sjsu.edu](mailto:yen@casa.sjsu.edu) after the first class meeting. Please specify the e-mail account you will use in the e-mail. Due to the current computer virus threats, when sending an e-mail to the instructor, please type your name and course number in the **SUBJECT** field. The instructor will not read any unidentifiable e-mail.
- You are responsible for understanding the policies and procedures about add/drops, academic renewal, withdrawal, etc. found at <http://www2.sjsu.edu/senate/S04-12.pdf>.
- Expectations about classroom behavior; see [Academic Senate Policy S90-5](#) on Student Rights and Responsibilities.
- If you would like to include in your paper any material you have submitted, or plan to submit, for another class, please note that SJSU's Academic Integrity policy S04-12 requires approval by instructors.
- Plagiarism and cheating on examinations will be penalized to the fullest extent of University regulations. Students are encouraged to take the plagiarism tutorial offered by the King Library, <http://tutorials.sjlibrary.org/plagiarism/index.htm>. Please read the SJSU Academic Integrity Policy S04-12 at <http://www2.sjsu.edu/senate/S04-12.pdf>.