

Full contents

<i>Preface to second edition</i>	xvii
<i>Acknowledgements</i>	xx
<i>List of abbreviations</i>	xxi
1 Introduction to international service operations management	1
Learning objectives	1
1.0 Introduction	1
1.1 International service operations systems	6
Design of international service operations systems	7
Types of service systems	7
The importance of 'service'	8
Service operations performance	9
1.2 Service economy and servitization	10
Developing countries	11
1.3 Service operations in a changing world	13
Business and cultural environment	13
Competitive advantage	14
Implications for future international services	15
1.4 Total service operations management	16
Service operations sensitivity	18
Change management	19
Embarking on change – supporters/saboteurs	19
Critical factors for success	20
1.5 Service operations management and service relationship marketing	20
1.6 Lean service operations management business model	24
Service value	28
Making value flow along the value stream	29
Chapter summary	30
Discussion questions	34
References and further reading	34
Case One: Rafferty's Café	36
Case Two: Mobile technology is enhancing productivity of Africa	39
Case Three: Bang & Olufsen	44

2	Developing a service operations strategy	46
	Learning objectives	46
2.0	Introduction	46
	Customer value-based corporate culture	52
	Role of leadership	53
	Customer links	54
	Organizational teamwork	54
	Cultural support systems	54
	What about after collecting the information?	55
2.1	Considerations underpinning a service operations strategy	56
	Objectively analyse the market	57
	Service differentiation	59
	Added-value services	60
2.2	Strategic alignment	60
	Alignment of service strategy to corporate objectives	60
	Opportunity development	62
	Resolving strategic options	63
	Establishing an analytical planning process	63
2.3	Developing a strategy to reflect lifetime customer values	64
	The implications of only getting it right first time	65
2.4	Setting the right direction	67
	Customer value segmentation	69
	Managing for outcomes	70
2.5	Customer retention and recovery strategy	70
	Retain, invest and prevent defection	71
	Feedback learning curve	72
	Strategic focus: new or existing customers?	74
2.6	Execution of the operations service strategy	75
	What do we want to be famous for to customers?	76
	Four principles of great operational service	76
	Dynamic factors	77
	Emotional considerations	78
	Empowered employees enliven strategy	78
	Fundamentals of executing a service operations strategy	79
2.7	Strategic listening	80
	Create a listening strategy	80
	Disseminate information far and wide	82
	Creating a dynamic service operations scorecard	83
	Continuous review of service operations	85
	Chapter summary	87
	Discussion questions	88
	References and further reading	89

Case One: Burger King's imperatives	91
Case Two: Star Hotel Group – The Pilgrim Hotel	93
Case Three: Buying into an established brand – the franchising option	96
3 Service process improvement	98
Learning objectives	98
3.0 Introduction	98
3.1 Organization readiness for change	102
Service process improvement measures and monitoring	106
3.2 Improvement tools and techniques	107
Service process mapping	110
Five whys	110
Brainstorming	112
Pareto analysis	113
Affinity diagram	113
Cause-and-effect diagram	113
Matrix diagram	116
Kano analysis	116
SIPOC	119
Quality function deployment	119
Failure modes and effects analysis	120
Six sigma	122
Activity sampling	123
3.3 A culture embracing change	125
Management's role	130
Chapter summary	130
Discussion questions	134
References and further reading	134
Case One: Service operations – change management: integrated learning	136
Case Two: OvenClean	141
Case Three: SUBWAY	143
4 Leadership and teams in service operations management	145
Learning objectives	145
4.0 Introduction	145
Behavioural aspects of leadership	150
Emotional intelligence	152
4.1 Leadership models and styles	154
Servant leadership	157

Connective leadership	157
Transformational leadership	158
Authentic leadership	163
The differences between services leadership and services management	164
4.2 Creating high-performance teams	164
Complex adaptive systems	166
4.3 Self-managed teams	170
Passion for feedback, personal learning and supporting team members	171
Motivated teams and team individuals	173
4.4 Team effectiveness and empathy	176
Service operations management empathy	179
Chapter summary	182
Discussion questions	185
References and further reading	185
Appendix 4.1: Desert survival – group dynamics	187
Explanation	187
Rankings	188
How to score	189
Case One: Sir Ernest Shackleton's style of leadership	192
Case Two: Desert survival (team dynamics)	195
Case Three: Creating rapport to influence	197
5 Service supply and logistics networks	203
Learning objectives	203
5.0 Introduction	203
5.1 Supply networks: commercial organizations	205
Service delivery networks	207
The value chain	209
5.2 Supply networks: non-commercial organizations	211
5.3 Supply importance relationships	214
Kraljic's Matrix	214
Developing relationships with service suppliers	218
5.4 Supply network coordination	219
Process requirements for coordination	221
Demand and supply information visibility	222
Exception-focused supply chain planning and execution	222
Chapter summary	226
Discussion questions	228
References and further reading	228
Case One: Streetscapes in the digital age	230

Case Two: IKEA	233
Case Three: Medical tourism	236
6 Innovation and services development	241
Learning objectives	241
6.0 Introduction	241
6.1 Innovation and creativity	244
Culture of innovation and creativity	246
Linking improvements to customers' needs	251
6.2 Drivers of innovation and creativity	252
In pursuit of mitigating risks and improving quality	253
6.3 Developing service networks	255
Commercial convergence	257
Chapter summary	265
Discussion questions	266
References and further reading	266
Case One: MOOCs: new way to deliver education	268
Case Two: Dell Corporation's customer interface	270
Case Three: Medical imaging services	274
7 Service operations performance quality	276
Learning objectives	276
7.0 Introduction	276
Internal service quality	278
Critical success process	281
7.1 Costs of quality	283
What are quality costs?	285
Quality cost drivers	287
From cost of quality to performance improvement	289
7.2 The House of Quality	290
Developing from the voice of the customer to the House of Quality	293
Applying quality function deployment	297
7.3 Self-assessment and quality frameworks	299
Using EFQM's self-assessment model	301
Balanced scorecard	304
7.4 Adopting ISO 9000/BS 5750 series in services operations	308
Internal information flows with ISO 9000	310
7.5 Statistical process control in services	311
Benefits to service processes of SPC	315
7.6 Benchmarking service operations	316
Chapter summary	321

Discussion questions	323
References and further reading	324
Case One: McDonald's	326
Case Two: Hilton Hotels	328
Case Three: Google	331
8 Sustainable service operations	334
Learning objectives	334
8.0 Introduction	334
8.1 Forces at play	337
The experienced customer base versus demographic changes	339
Enlightened information flows	340
The perceived wisdom	341
8.2 Environment and emission considerations	342
Carbon neutrality in service delivery	345
8.3 Organizational resilience	348
Business impact analysis	350
Threat analysis	351
Impact scenarios	352
Recovery design	353
Implementation of business recovery	353
Testing of business recovery	353
Simulated exercises	354
Information update and testing	355
8.4 The National Australia Bank	355
NAB's footprint	356
NAB's targets	359
Responsible finance	360
Project finance and the Equator Principles	362
Environmental products and services	363
Environmental advocacy	364
Exemplar of best practice	365
Chapter summary	365
Discussion questions	366
References and further reading	366
Appendix 8.1: Energy Performance Certificate	368
Case One: Granite Transformations Plc	369
Case Two: Naked Wines	372
Case Three: The Dabbawallas of Mumbai	374
9 Service operations performance	376
Learning objectives	376

9.0	Introduction	376
	Reinforcing the customer–organization interface	379
	Empowerment and involvement	380
	Performance training and coaching	380
	Appraisal and timing	381
	Ownership of performance processes	381
9.1	Identifying performance measures	382
	Stage 1	382
	Stage 2	383
	Stage 3	384
	Stage 4	385
9.2	Motivation and staff performance	385
	Self-worth and motivation	389
9.3	Linking performance metrics with customers' needs	391
	Developing the survey instrument	392
9.4	A paradigm shift in service performance monitoring: push-pull systems	394
	Employee empowerment versus target-setting	396
9.5	Performance and motivation	397
	Needs theory	399
	Herzberg's motivator-hygiene theory	399
	Equity theory	400
	Reinforcement theory	400
	Expectancy theory	400
	Goal-setting theory	401
	Performance rewards	402
	Benefits as motivators	403
	Performance and motivating through employee ownership	403
9.6	Balanced scorecard – as a performance framework	403
	Chapter summary	406
	Discussion questions	408
	References and further reading	408
	Case One: Staycationing: camping, glamping and the thrill of the great outdoors!	410
	Case Two: Writing a business plan: start-up in the Cayman	415
	Case Three: Doggywash.com	419
10	Not-for-profit and public service operations management	422
	Learning objectives	422
10.0	Introduction	422
	Customers of the public sector – are they different?	427
	Standards in service operations management	431

10.1	Public service and not-for-profit dilemma	432
	Bridging the divide between public and private service operations	433
10.2	Service operations strategies for the public sector	435
	The power of rhetoric	438
10.3	Focus on Queensland Police Service	439
10.4	Challenges of improving service operations in a regulated utility	447
	Service recovery in a regulated utility	449
	Chapter summary	453
	Discussion questions	455
	References and further reading	455
	Appendix 10.1: Queensland Police Service Client Service Charter	458
	Case One: Managing the chaos of panic – events management	461
	Case Two: Kentucky Fried Chicken (KFC)	464
	Case Three: <i>Muda 7</i> wastes – hospital case	467
11	Pursuit of simplicity in service operations	469
	Learning objectives	469
11.0	Introduction	469
	Analysis of company ‘A’ and ‘B’	474
11.1	Ease of doing business	479
	Simplification in response to complexity	480
11.2	Removing complexity and barriers to service operations excellence	483
	A multi-directional approach	484
	Empowering teams to remove complexity	485
	E.N.E.R.G.I.S.E.	486
	Support systems	487
11.3	Customer emotions	489
	Fulfilling customer emotions	491
	Emotional intelligence	492
11.4	Simplifying selection – why choose us?	493
	Customer value management	493
	The customer as an advocate	495
	Dramatic listening	496
	Chapter summary	496
	Discussion questions	498
	References and further reading	498
	Appendix 11.1: The Doing Business survey 2016	500
	Case One: Outsourcing: a strategic risk?	501

Case Two: Ritz-Carlton Hotel	505
Case Three: Li & Fung	510
12 Digital service operations management	512
Learning objectives	512
12.0 Introduction	512
12.1 E-service integration	516
Computer-telephone integration	518
12.2 E-service challenges	520
12.3 The e-service environment: operations management and customers	522
Skills of e-service operations managers	525
12.4 E-relationship management	529
Reach, richness and affiliation	530
Customer orientation	532
12.5 Customer interaction with e-services	533
Response to customers' inquiries and contact	538
E-commerce activity and trends	539
12.6 International dimensions of services	541
E-services, language and globalization	543
Systems thinking and data analytics	545
Chapter summary	547
Discussion questions	549
References and further reading	549
Case One: Big Data analytics	551
Case Two: Text mining and psychoanalytic neurolinguistics	553
Case Three: EstatesDirect.com	556
<i>Index</i>	559