

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER -III– EXAMINATION – WINTER 2021

Subject Code: 4539272**Date: 23-02-2022****Subject Name: Services Operations Management****Time:10:30 AM TO 01:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.	Question Text and Description	Marks
Q.1	Definitions / terms / explanations / short questions based on concepts of theory/practical (a) Quasi-manufacturing (b) Offshoring (c) Prising Risk (d) Phantom stockout (e) Outsourcing (f) Inventory (g) Service quality (h) Service Strategy	14
Q.2	(a) Explain the classification of Services.	07
	(b) What are the criteria for rating hotels in star and diamond categories? How can yield management be applied to improve the quality of services in hotels? Illustrate with examples.	07
	OR	
	(b) Classify the various types of services according to the degree of labor intensity and degree of interaction and customization. How difficult is it to manage the service quality for services in these categories?	07
Q.3	(a) Outline the importance of process flow diagram and simulation.	07
	(b) Explain the concept of yield management in the airline industry	07
	OR	
Q.3	(a) What is yield management? Why is yield management important?	07
	(b) Explain how outsourcing, offshoring, and foreign entities affect the operation of businesses in India.	07
Q.4	(a) How does inventory differ between manufacturing and service	07
	(b) Does the outsourcing opportunity match the organization's business needs? Will outsourcing improve performance?	07
	OR	
Q.4	(a) What is offshoring outsourcing ? What are the pros and cons of offshore outsourcing	07
	(b) Explain newsvendor model. What are the newsvendor problem?	07

Q.5

CASE STUDY:

Deloitte – Removing operational deficiencies of an major Energy Utility Firm

The Challenge:

A major energy utility identified a number of operational deficiencies in a recent productivity review. The company wanted to halt the erosion of value by refocusing the business to be more effective and efficient in the way it operates in its current markets and to capitalize on the disruptive change that will affect the business going forward. In doing so, the company set a notional cost reduction target of over 20% and sought help from a professional service provider to achieve this target through the implementation of a new operating model.

How Deloitte helped?

Building on the initial productivity review, Deloitte designed a set of initiatives focused on developing and validating a target operating model, improving the effectiveness of processes and developing capability to increase revenue.

The new operating model for the energy provider was designed with a number of objectives:

- Lowest-cost position (through cost reduction, optimal use of assets, optimal service and capability development)
- Flexibility to scale up or down effectively
- Phased performance improvement

During the engagement, Deloitte used a range of methods, including benchmarks and workload analysis, to develop and validate the organizational sizing and indicative savings of a revamped organization. Deloitte then used a Value Driver Tree to identify key process areas to improve the end-to-end processes across the business. In addition, Deloitte performed end-to-end process analysis to identify areas of inefficiency and to inform future process design and transition approach. Furthermore, Deloitte worked with the business closely through the transition of all level 1 to 4 roles, successfully implementing the new business model and associated organization structure whilst Business As Usual was fully supported.

Value delivered:

The new operating model provided the business with the ability to prosper in the fully contestable market and to capitalize on new products and markets. The engagement had a rapid start with over 40 initiatives and delivered a 25% cost reduction through the transition to a Business As Usual state-with acceptable levels of business risk, appropriate spans of control and improved revenue realization capability.

- (a) What are major challenge Deloitte face? **07**
- (b) How did Deloitte support its plan to develop a new operating model for its client? **07**

OR

- Q.5** (a) How yield management system work to improve productivity? **07**
- (b) What were the major operations management decision areas that Deloitte focused upon? **07**
