

## SECTION – 2

### QUESTION-1.

#### ANSWER:-

#### Service Operation:-

Service operation encompasses the day-to-day activities, processes, and infrastructure responsible for delivering value to the business through technology. ... Because users can access the service during service operation, we need high support levels to keep service consumption at high-levels.

#### Benefits:-

Improve Efficiency.

Reduce Operational Costs.

Risk-Free Implementation of IT Changes.

Improve Accountability Through Standardization.

Improve Accountability within Business Functions.

Improve Effectiveness.

Improve Visibility into Operations.

Improve Visibility into Performance.

Operation Management is important to improve the overall productivity. The ratio of input to output is termed as productivity. ... Operation management plays a crucial role in an organization as it handles issues like design, operations, and maintenance of the system used for the production of goods

#### Factors Affecting Service Operation:-

##### 1. The Service itself

The importance of the actual process in service delivery is being recognized of late. By employing some principles, the service and delivery process can be designed, implemented and monitored. The service itself is dependent upon its process. Even intangible services such as legal representation, equipment-based services (services through vending machines, ATM) etc., are dependent upon their process. While designing a service, it is necessary for the service provider to carefully understand the process on which the service is dependent.

##### 2. Customer Participation in the Process

The presence of the customer is a must when some services are being performed. The consumer is a part of the production process and there is a close interaction between the service provider and the consumer.

For example, services in a self service restaurant, hair dressing saloon, beauty parlours, etc., necessitate the participation of customers in the production process.

Sometimes, the customer instead of being a passive bystander acts as productive labour if needed. Customer participation enhances the degree of customization.

For example, the education service rendered by a college would depend upon the quality of student participation in the programmes offered by the college. Through customer participation, the service provider identifies the impact the receiver of the benefit has on the service.

### **3. Location of Service Delivery**

The issues related to accessibility and availability of services are crucial. Priority must be given in decisions about location of premises and services distribution. Provision of service may take place at the service provider's premises or at the customer's home.

For example, air conditioning and plumbing services should be provided at the customer's home, while dry cleaning of clothes is carried out at service provider's outlet.

Public services such as telephone, banking, insurance etc., should be easily accessible to the customers. Generally, the service provider should choose to provide a location convenient to the customers.

### **4. Level of Customer Contact**

The physical presence of the customer in the system is called customer contact. The level of customer contact can be calculated from the amount of time a customer spends in the system compared to the total system.

The level of contact with customers largely depends upon the type of service received. From this point of view, a service may be high-contact service or low-contact service. Where performance of a service is fully based on equipment (automatic weighing machines, ATM, public telephone), the level of contact between the customer and service provider is nil.

In case of professional and medical services, the level of contact is very high. The service system should be planned according to high contact and low contact operations in order to achieve overall service quality.

### **5. Degree of Standardization**

The services may be standardized services or customized services. In case of standardized services, services are delivered in a very standard format. A standardized service is generally, designed for high volumes with a focused service.

For example, pre recorded messages provided by telephone companies.

The tasks involved in standardized services require a workforce with relatively low levels of technical skill. Service providers deviate from the standard to meet the needs of different customers. This is called divergence. Customized services involve high divergence where flexibility and judgement are called for on the part of the service provider. He interacts with the customers in order to identify the needs of latter.

The interaction between the service provider and customer may be in terms of resources facility such as expertise, skill, attention, attitudes, personnel, space, cleanliness etc. In other words, interaction is more between the customer and the employees of the service provider. Provision of customized services requires high levels of technical skill. Generally, customized services are unprogrammed and not well defined before they are provided.

For example, counseling of students, house decoration, tailoring etc.

## **6. Complexity of the service**

Complexity refers to the amount of steps involved in delivering services to customers. So, the degree of complexity can be measured on the basis of the number of activities which contribute towards the service delivery. Some services are high in complexity as well as high in divergence.