



JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM)
FOURTH TRIMESTER (Batch 2020-22)
END TERM EXAMINATIONS, OCTOBER, 2021

Course Name	Managing Service Operations	Course Code	OM-402
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- a. All Questions are compulsory.
- b. Please answer to the point with all relevant details.
- c. Use your own calculators for computational purposes.

Question 1

5 Marks

Explain the importance of 'moment of truth' in a service encounter. Discuss briefly the different modes of service encounter.

Question 2

5 Marks

Distinguish service value and service quality with relevant examples from service industry.

Question 3

5 Marks

Analyze why some companies charge a different price for different consumers, and at different times. Demonstrate how this policy might work better than a traditional fixed price policy.

Question 4

5 Marks

A commuter airlines company overbooks all its flights by one passenger, that is, the ticket agents take 61 reservations for an all-economy 60-seater flight. The no-show experience for the past 20 days is shown below.

No Shows	Frequency
0	6
1	5
2	4
3	3
4	2

Using the critical fractile, find the maximum implied cost of overbooking a seat if the profit earned for each ticket sold in the flight is \$20.

Question 5**(2.5 + 5) = 7.5 Marks**

A school cafeteria is operated by five persons performing the activities listed below, along with the average times taken by these activities.

Activity	Average Time, Sec.
Serve Salad and dessert	10
Pour drinks	30
Serve entrée	60
Serve vegetables	20
Tally and collect payment	40

- What are the bottleneck activity and the maximum service capacity per hour?
- Suggest a reallocation of activities that would increase capacity and use only four employees, and draw a product flow diagram. What is the capacity of your improved system?

Question 6**(1.5 X 5) = 7.5 Marks**

A new shopping mall is considering setting up an information desk manned by one employee. Based on information obtained from similar information desks, it is believed that people will arrive at the desk at the rate of 20 per hour. It takes an average of 2 minutes to answer a question. It is assumed that arrivals are Poisson and answer times are exponentially distributed.

- Find the probability that the employee is idle.
- Find the proportion of the time that the employee is busy.
- Find the average number of people waiting in line to get information.
- Find the average time a person seeking information spends at the desk.
- Find the expected time a person spends just waiting in line to have a question answered.

Question 7**5 Marks**

Evaluate the following situations for how well the service provider responded. What did they do well? How could they have improved their response? Would you patronize the provider again?

Lost Baggage: Upon his arrival in Chicago's O'Hare airport, the weary traveler went to collect his suitcase. But it never appeared. After filing a lost bag report, he was told that when his bag was found, it would be delivered to his hotel. When he asked how soon that might be, he was told most bags are located and delivered within 24 hours. "That just won't do!" he exclaimed. "I just completed a training session for this client in a Florida location where we all wore business casual outfits, like the one I am currently wearing. I have to make a presentation to the client's Executive Board tomorrow morning at 8:30 a.m. I must have my suit for that presentation!" The Claim's Manager replied, "If you're such a hot-shot consultant, that shouldn't be a problem."