

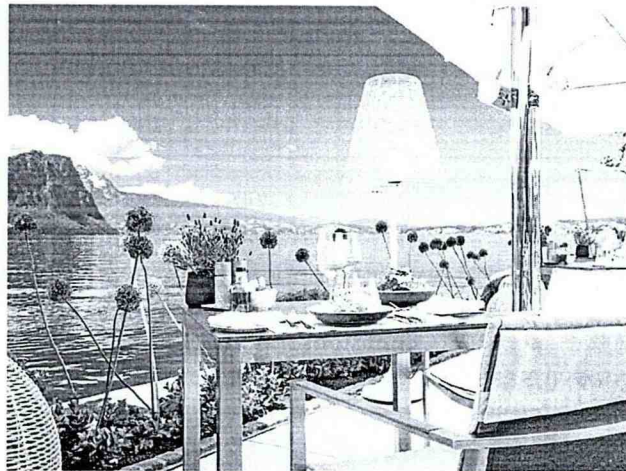
JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM)
FOURTH TRIMESTER (Batch 2023-25)
END TERM EXAMINATIONS, SEPTEMBER 2024

Course Name	Managing Service Operations	Course Code	20523
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- a. Read the case below and answer questions in Part-A and Part B as per instructions given.
- b. Attempt all Questions from Part-A and any one Question from Part B.
- c. This is a closed book examination.
- d. Only calculators allowed. Use of mobile and any other electronic device prohibited.
- e. Answers should be rich in content, pointwise. Avoid unnecessarily long answers.

Case: Serenity Springs Wellness Retreat: Redefining the Wellness Experience



Nestled in a serene countryside setting, surrounded by lush greenery and tranquil lakes, Serenity Springs Wellness Retreat has become a destination for guests seeking rejuvenation through a blend of traditional spa services and holistic wellness programs. Over the past five years, the retreat has gained a reputation for its personalized, high-quality experiences in yoga, meditation, and organic nutrition. However, with new wellness centers offering tech-driven services in the region, Serenity Springs must rethink its strategy to maintain its competitive edge. To adapt and grow, Serenity Springs has embraced a new service strategy guided by a vision: “to be a sanctuary of holistic well-being where every individual is empowered to achieve balance, harmony, and vitality through innovative and personalized wellness experiences.” Its mission is to “offer a unique blend of traditional wisdom and contemporary wellness practices, fostering a compassionate environment and creating unforgettable experiences that rejuvenate body, mind, and spirit.”

Serenity Springs has adopted an approach, led by CEO Emma Reynolds and the senior management team, to establish a clear strategic direction focused on innovation. "We believe that standing out in today's crowded wellness market requires something truly unique," says Emma. The team plans to introduce exclusive services, such as neuro-wellness retreats that combine neurofeedback with meditation and bio-hacking therapies using technology to optimize health. "These retreats will combine traditional practices with cutting-edge science," Emma adds.

The management is also pursuing sustainable growth, aiming to expand into new locations while maintaining the unique atmosphere of Serenity Springs. "We will only grow where we can replicate the serene, nature-based setting that defines us," Emma notes. Additionally, Serenity Springs is implementing key performance indicators (KPIs) to measure service quality, customer satisfaction, and operational efficiency, aiming for a customer satisfaction score of 85% and a 15% reduction in waste through lean operations.

Understanding and anticipating customer needs is central to Serenity Springs' strategy. "Our guests are at the heart of everything we do," says Sarah Ellis, Customer Experience Director. The retreat uses extensive market research to identify key segments, including wellness seekers, health-conscious families, and corporate clients, and is continuously enhancing their experience. Personalized wellness assessments, including digital health check-ups and lifestyle analyses, help tailor services to individual needs. "It's about understanding our guests and customizing our offerings," Sarah explains.

Digital integration is another key initiative. "Our mobile app acts as a digital wellness companion," says James Whitfield, Head of Digital Innovation. "With features like virtual meditation, healthy recipes, and wellness tracking, it has increased customer engagement by 30%." The retreat has also launched virtual wellness programs, such as online yoga classes and digital detox workshops, broadening its reach and increasing customer engagement by 20%.

Internally, Serenity Springs focuses on maximizing its strengths and fostering a wellness-oriented culture. "Our people are our greatest asset," says Emma. The retreat promotes well-being for both guests and employees through wellness workshops, team-building activities, and professional development opportunities. "We invest 40 hours per year in our staff's growth through development programs and encourage them to contribute ideas," notes Mia Thompson, Operations Manager. This has led to initiatives like "Mindful Massages," a signature service combining traditional massage with guided meditation, proposed by a frontline therapist. Serenity Springs also emphasizes knowledge management, using real-time data to personalize guest experiences. "Our system ensures consistency and exceeds guest expectations," James explains.

Employee insights are integral to Serenity Springs' strategy. "Our team interacts directly with customers and understands their needs best," says Sarah. The retreat hosts regular innovation forums for employees to share ideas, which have resulted in popular services like Mindful Massages. Staff are empowered to make real-time decisions to resolve issues, enhancing service efficiency by 10%. "We trust our team to provide exceptional experiences," Mia adds.

Serenity Springs has developed an excellent service process to ensure a seamless experience for guests. From the moment customers book their appointments via the app, they are guided through a personalized wellness journey. "Our wellness concierge is there to greet every guest," explains Sarah. "The concierge conducts a digital health assessment and wellness consultation to understand their unique needs." During their stay, guests receive tailored services, which are adjusted in real-time based on feedback. "We've integrated real-time data monitoring into our service delivery," says James Whitfield. "It allows us to customize each session to perfection." After their visit, guests receive a comprehensive

wellness report and access to virtual consultations. "The journey doesn't end when they leave," says Emma. "We stay connected and provide continuous support, ensuring our guests feel part of the Serenity Springs community."

By integrating different organizational strategies, Serenity Springs is approaching a leadership position in the wellness industry. The focus on innovation, customer-centricity, and employee empowerment ensures the retreat remains at the forefront of an evolving landscape. "We are committed to offering experiences that inspire loyalty and transformation," concludes Emma. "At Serenity Springs, it's not just about relaxation — it's about holistic well-being."

PART-A

(Answer all 5 questions)

Q1.

List the different dimensions/elements of service package of spring wellness retreat. (6)

Q2.

Director of spring wellness retreat was concerned about some inconsistent customer feedback. List down the order winners, qualifiers, and less important factors for Spring wellness retreat. (6)

Q3.

Construct a service delivery process diagram which eliminates the inconsistencies in the service delivery process. (6)

Q4.

Identify different service strategies adapted by the CEO to adapt innovations in Spring wellness retreat and illustrate the state of actions to implement them. (6)

Q5.

The average rate of customer arriving at spring wellness retreat indicates a Poisson distribution with a mean of 6 customer per hour. The therapy service follows an exponential distribution with a mean of 10 customers per hour. Assume that the queue follows a M/M/1 model, find out the followings.

- a. Average number of customers in the system. (2)
- b. Average time spend by a customer in the queue. (2)
- c. What is the probability that the system will be idle? (2)

PART-B

(Answer any one question)

Q6.

Construct a balance scorecard for Spring wellness retreat to measure its performance. (10)

Q7.

Summer vacation is about to start and spring wellness retreat is expecting a heavy rush of customers. Last year the retreat suffered insufficiency of therapist. Thus, this year the manager wants a very systematic capacity management. The manager Identified the following statistics from some past data.

- Each therapist can accommodate 4 customer per hour.
- The regular working shift of a therapist is 8 hours.
- Permanent therapist will take at least a salary of \$40/day.
- Maximum overtime policy for therapist is 2 hours/day, and the usual incentive is \$10/hour.
- Subcontracting acquires a daily cost of \$70 per employee
- One additional therapist hiring cost is \$50.
- One therapist firing cost is \$60.

Manager identified the expected bookings for next 8 days as follows.

Day	Expected Demand	Day	Expected Demand
1	90	5	80
2	180	6	220
3	240	7	230
4	150	8	320

Apply Level and Chase strategies of capacity management and identify which of strategies is more suitable for a better cost management? (4+4+2)