Chapter 8
Designing and Managing Service Processes

GENERAL CONTENT

Multiple Choice Questions

1. Blueprinting is a more sophisticated version of ____________.
   a. linear graphing  
   b. flowcharting  
   c. Cox & Snell analysis  
   d. non-linear graphing  
   e. cluster analysis  
   (b; Easy; p. 200)

2. The first step in developing a service blueprint is ____________.
   a. to reach a consensus on which activities are more important than others  
   b. to identify all the key activities involved in creating and delivering the service  
   c. to identify the links between a set of alternative service possibilities  
   d. to identify the key employees who will be enacting the service blueprint  
   e. to identify the key customers who will be participating in the service  
   (b; Easy; p. 201)

3. The line of ____________ divides front-stage activities from backstage activities.
   a. service standards and scripts  
   b. physical evidence  
   c. internal physical interaction  
   d. internal IT interaction  
   e. visibility  
   (e; Challenging; p. 201)

4. Service blueprints ____________, and how these are supported by backstage activities and systems.
   a. enhance servicescape features such as furniture and lighting  
   b. complicate employee handling of special requests  
   c. clarify the interactions between customers and employees  
   d. enhance customer technical know-how  
   e. diminish customer complaining capacity  
   (c; Moderate; p. 201)
5. Which of the following is NOT a key component of a service blueprint?
   a. Line of transference
   b. Line of interaction
   c. Line of visibility
   d. Backstage actions by customer contact personnel
   e. Front-stage actions by customer contact personnel
   (a; Moderate; p. 202)

6. The __________ or __________ includes both the __________ and __________ of a service facility.
   a. roll; retrieval; implicit aspects; explicit aspects
   b. stage; servicescape; exterior; interior
   c. stage; service area; customers; employees
   d. roll; canopy; employees; equipment
   e. roll; service area; front-stage; backstage
   (b; Moderate; p. 202)

7. Server __________ ensure that service staffs do things correctly, as requested, in the right order, and at the right speed.
   a. kanbans
   b. poka-yokes
   c. jidokas
   d. banzais
   e. sodokus
   (b; Moderate; p. 209)

8. Service process redesign efforts typically focus on achieving all EXCEPT which of the following key performance measures?
   a. Reduced number of service failures.
   b. Reduced cycle time.
   c. Enhanced productivity.
   d. Increased profitability.
   e. Increased customer satisfaction.
   (d; Challenging; p. 213)

9. Service process redesign can be categorized into all EXCEPT which of the following types?
   a. Eliminating non-value adding steps.
   b. Shifting to self-service.
   c. Delivering direct service.
   d. Separating services.
   e. Redesigning the physical aspect of service processes.
   (d; Moderate; p. 213)
10. Which of the following is NOT one of the steps in managing customers as partial employees?
   a. Maintain a list of prospective customer “resumes.”
   b. Conduct a “job analysis” of customers’ present roles in the business.
   c. Proper education and training to ensure that customers are aware of how they are expected to perform.
   d. Motivate customers by ensuring that they will be rewarded for performing well.
   e. Regularly appraise customer performance.
   (a; Challenging; p. 216)

**True/False**

11. A blueprint specifies in detail how a service process should be constructed.
   (True; Easy; p. 201)

12. A key characteristic of service blueprinting is that it makes little or no distinction between what customers experience “front-stage” and the activities of employees and support processes “backstage.”
   (False; Easy; p. 201)

13. A drawback of service blueprints is that they cannot give managers the opportunity to identify potential fail points in the process where there is a significant risk of things going wrong and diminishing service quality.
   (False; Moderate; p. 201)

14. A well-planned script should provide a full description of the service encounter and can, in itself, help to identify potential or existing problems in a specific service process.
   (True; Moderate; p. 202)

15. Part of the challenge of implementing poka-yokes in service contexts is the need to address not only server errors, but also customer errors.
   (True; Moderate; p. 209)

16. Service staff poka-yokes usually focus on preparing the customer for the encounter, understanding and anticipating their role in the service transaction, and selecting the correct service or transaction.
   (False; Moderate; p. 209)

17. Service process redesign encompasses reconstitution, rearrangement, or substitution of service processes.
   (True; Moderate; p. 213)
18. Customer participation refers to the actions and resources supplied by customers during the service production and/or delivery process, including all but emotional inputs.
(False; Moderate; p. 215)

19. With a moderate participation level, customers work actively with the provider to co-produce the service.
(False; Moderate; p. 215)

20. A key problem with self-service technologies is that so few of them incorporate service recovery systems.
(True; Moderate; p. 221)

**Short Answer**

21. What is the definition of “fail point”?

A point where there is significant risk of things going wrong and diminishing service quality.
(Moderate; p. 201)

22. List the nine components of a service blueprint.

1. Definition of standards for each front-stage activity.
2. Physical and other evidence for front-stage activities.
3. Principal customer actions.
4. Line of interaction.
5. Front-stage actions by customer contact personnel.
7. Backstage actions by customer contact personnel.
8. Support processes involving other service personnel.
9. Support processes involving information technology.
(Challenging; p. 202)

23. What does SST stand for?

Self-service technology.
(Easy; p. 218)

24. List two reasons why customers appreciate SSTs.

Conveniently located, accessible 24/7, can perform better than service employee, can save time and effort,
(Moderate; p. 219)
25. What three questions does Mary Jo Bitner suggest managers should put their firms’ SSTs to the test with?

- Does the SST work reliably?
- Is the SST better than the interpersonal alternative?
- If it fails, what systems are in place to recover?

(Moderate; p. 221)

**Essay**

26. Discuss the potential company benefits, potential customer benefits, and challenges and limitations of the direct service approach to managing the service delivery process.

Potential company benefits of the direct service approach include eliminating store locations, expanding the customer base, and company differentiation. This is because the direct approach takes a service to a customer. The benefits to customers include increased convenience and improved access to the service. Challenges and limitations involved in direct service include logistical burdens, cost, and a need for credibility and trust. Reducing physical locations is often traded for an increase in field staff and vehicles, which then must efficiently travel from one location to another to serve customers.

(Moderate; p. 214)

27. Discuss the potential company benefits, potential customer benefits, and challenges and limitations of the bundled service approach to managing the service delivery process.

Potential company benefits of the bundled service approach include company differentiation, customer retention, and increased per capita service use. These are due to customers paying slightly less for each component, but more overall because of the combination of services. Potential benefits to the customer include increased convenience and customized service. Customers are better serviced because they do not have to interact with multiple service organizations to achieve multiple similar objectives. Challenges and limitations include an extensive understanding of the target customer and the perception of wastefulness.

(Moderate; p. 214)
APPLICATION CONTENT

Multiple Choice Questions

28. How many “acts” does a meal at Chez Jean consist of?
   a. One act
   b. Two acts
   c. Three acts
   d. Four acts
   e. Five acts
   (c; Moderate; p. 202)

29. Banks ensure eye contact by requiring tellers to record ____________ on a checklist
   at the start of a transaction.
   a. the customer’s eye color
   b. the customer’s bank account number
   c. the customer’s shirt size
   d. the customer’s account type
   e. the customer’s nationality
   (a; Easy; p. 209)

30. Examples of preparing customers for service encounters include all of the following
    EXCEPT ____________.
    a. printing dress code requests on invitations
    b. sending reminders of dental appointments
    c. printing guidelines on customer cards
    d. billing customers for services rendered
    e. all of the above are examples of preparing customers for service encounters
    (d; Moderate; p. 209)

31. IBM employs the term ____________ to describe the deconstruction (or unbundling)
    of a company’s activities and subsequent reconstruction into ____________ (as
    opposed to a value chain) in which value is created by businesses and their suppliers,
    buyers, and partners by combining and enhancing the component services
    collectively provided by participants.
    a. conglomerating; value portfolios
    b. componentization; value nets
    c. delimiting; servicescapes
    d. delimiting; service portfolios
    e. conglomerating; service portfolios
    (b; Challenging; p. 214)

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32. Which of the following is NOT one of the six steps that can help smooth the path of customer change?
   a. Develop customer trust.
   b. Understand customers’ habits and expectations
   c. Teach customers to use innovations while limiting trial.
   d. Pretest new procedures and equipment.
   e. Publicize the benefits.
   (c; Moderate; p. 222)

   **True/False**

33. Restaurants are often quite theatrical in their use of physical evidence (such as furnishing, décor, uniforms, lighting, and table settings).
   (True; Easy; p. 205)

34. “Risk of excessive wait” points in a restaurant service blueprint provided in the chapter occur mainly in the backstage processes.
   (False; Moderate; p. 205)

35. “Failure” points in the restaurant service blueprint provided in the chapter only occur in the backstage processes.
   (False; Easy; p. 205)

36. A good example of a service poka-yoke is a surgeon whose surgical instrument trays have indentations for each instrument.
   (True; Moderate; p. 209)

37. Research by Marriott Hotels indicates that four of the five top factors contributing to customer loyalty come into play during the first 10 minutes of service delivery.
   (True; Moderate; p. 210)

   **Short Answer**

38. What are the acts that “restaurant drama” can be divided into?

   Activities that take place before the core product is encountered, delivery of the core product, and subsequent activities while still involved with the service provider.
   (Moderate, p. 202)

39. What is the only fail point in the service blueprint that was listed as physical evidence in the restaurant drama?

   Food taste/quality.
   (Moderate; p. 206)
40. When a rental car customer is not interested in filling out paperwork or processing payment and check of the rental car, this is an example of which service process redesign?

   Eliminating non-value adding steps.
   (Moderate; p. 213)

41. Which aspect of service process redesign did FedEx employ when it transferred more than 50 percent of its transactions from call centers to its Web site?

   Shifting to self-service.
   (Moderate; p. 213)

42. Amazon.com’s success is a combination of which service redesign aspects?

   Self-service, direct service, minimization of non-value-added steps through effective capture of customer preference, plus shipping and payment data.
   (Moderate; p. 214)

Essay

43. Describe how Avis uses service blueprinting to enhance its customers' experiences.

   Each year Avis determines a set of factors that car renters care about most. The rental process is then broken down into more than 100 incremental steps, including making a reservation, finding the pickup counter, getting to the car, driving it, returning it, and paying the bill. They have determined that travelers mostly want to get to their rental quickly and drive away, so the service blueprint is designed to achieve that goal.
   (Challenging; p. 212)

44. Describe the aspects of self-service technology that were important to TLC in developing CarePages.

   SSTs require careful consideration to prevent failure in the eyes of customers. User-friendliness is at the heart of the CarePages website. TLC recognized that the service would be accessed by a wide array of individuals with a wide range of skills. Many of their customers would also be under stress from loved ones with health issues at the time of purchase. A lot of money was pumped into website development to make sure it possessed an array of useful features, but was simultaneously easy to use. The website is also continually updated to reflect user comments and complaints with the service.
   (Moderate; p. 220)
45. Describe how TLContact was able to reduce failure points in its service.

Websites are notoriously difficult to design so that users can effectively use them. TLContact focused on in-house construction of the site to retain control and tacit knowledge of how the site worked and where problems might occur. They also employed a customer feedback system in order to respond rapidly and effectively to customer inquiries regarding the usability of the site. As the firm grew, the functionality was increased. However, this process was eased by the original mind toward the future scalability of the site.

(Moderate; p. 220)