Designing and Managing Service Processes

processes are the architecture of services

Dysfunctional customer behavior

In some services customers share common facilities and their behaviour affect the outcome of the service experience

negatively x positively

two strategies:

"The customer is king and can do no wrong"

there are some nasty pople who cannot be trusted to behave in ways that self-respecting service providers should expect and require

we can encounter: thief, rulebreaker, aggressor, vandal, deadbeat, ...

- design processes that minimizes risk of failure
- do prevention
- in case of manager involvement - facilitator, supporter

The customer as co-producer

levels of customer participation

- low
- moderate
- high

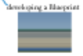
self-service technologies

customers as partial employees

Service process redesign

Blueprinting of services

developing a Blueprint



identify all key activities involved in creating and delivering the service and then define linkages between them

distinguish between what customers experience "front stage" and what are activities of employees and support processes "backstage"

separated by line of visibility

why blueprint is helpful

it clarifies interactions between customers and employees, and how these are supported by backstage activities and systems

- take preventive measures
- prepare contingency plans

key components

1. definition of standards of each front-stage activity
2. physical and other evidence for front-stage activities
3. principal customer actions illustrated by pictures
4. line of interaction
5. front-stage actions by customer-contact personnel
6. line of visibility
7. backstage actions by customer-contact personnel
8. support processes involving other service personnel
9. support processes involving information technology

from left to right, it prescribes sequence of actions over time

setting standards

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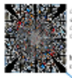


they describe the method and sequence in which service operating systems work, specifying how they link together to create the value proposition that has been promised to customers

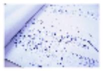
badly designed processes are likely to annoy customers

Blueprinting of services

it is a tool used to design new service or redesign existing ones

it is more sophisticated version of flowcharting (describes existing process often in a simple form)

it specifies in some detail how a service process should be constructed



it describes processes involving flows, sequences, relationships, and dependencies

developing a Blueprint

no required way how to prepare it

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blueprint is a way to identify potential fail points in the process

[illegible]

managers aware of them can

- take preventive measures
- prepare contingency plans

blueprint can pinpoint stages at which customers commonly have to wait

BRAIN LOADING...
Please wait.

based on this information following can be developed

[illegible]

- standards for execution of each activity
- times for completion of a task
- maximum wait between tasks
- scripts to guide interactions between staff and customer

[illegible]

key components

1. definition of standards of each front-stage activity
2. physical and other evidence for front-stage activities
3. principal customer actions (illustrated by pictures)
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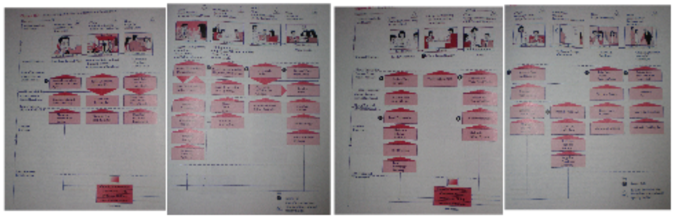


setting standards

customers' expectations range across a zone of tolerance

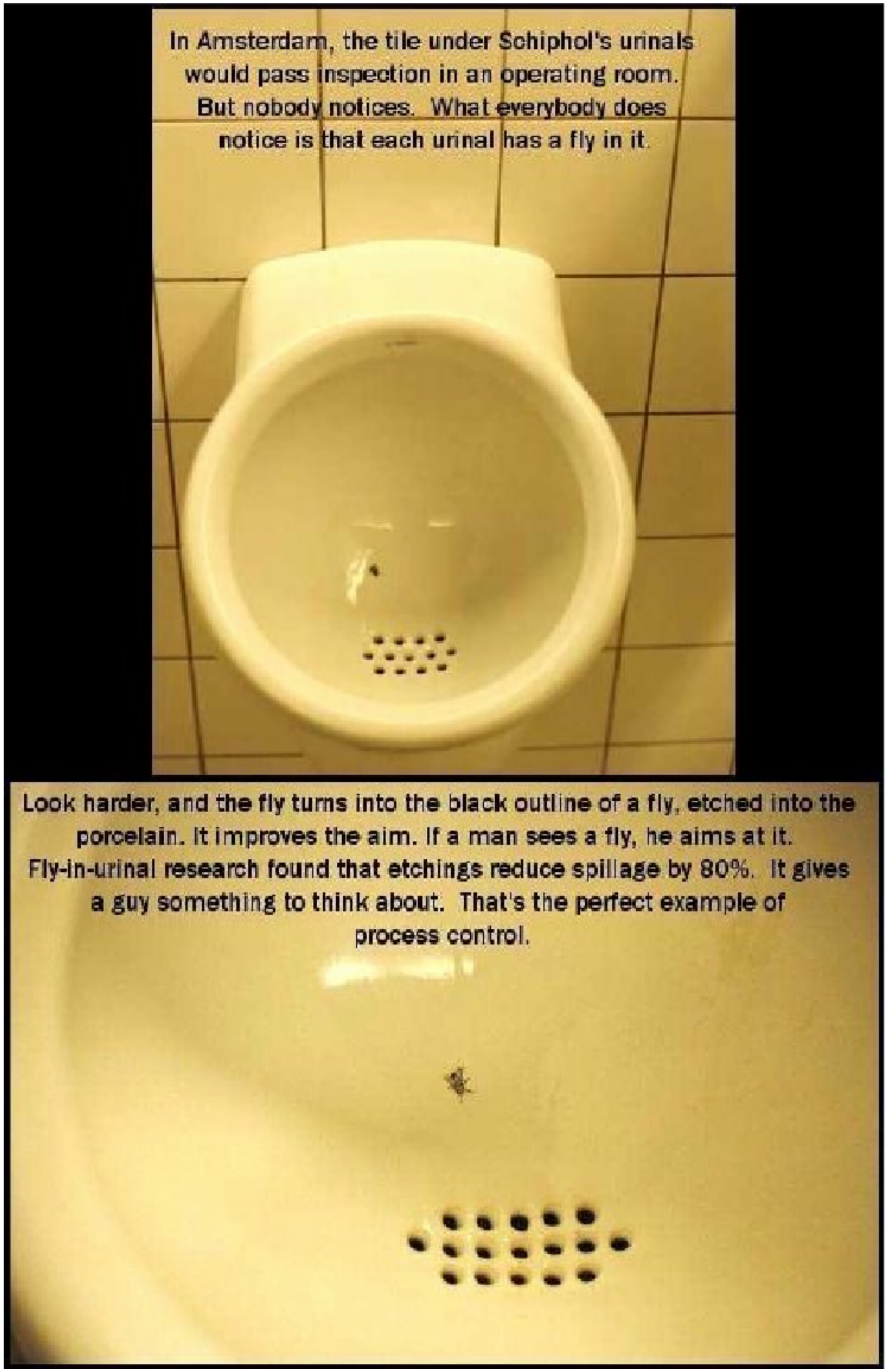
from desired service (an ideal) to a threshold level of merely adequate service

standards should be sufficiently high to satisfy and even delight customers

eliminate the risk of errors - use fail-safe methods (for customers as well as for employees)

- opening scenes are important - it effect later perception
- perceptions of experiences tend to cumulate
- importance of a strong finish (even if it start poorly) - the service is better rated than the one with strong opening and poor finish
- in low contact services every contact is viewed very seriously

of



In Amsterdam, the tile under Schiphol's urinals would pass inspection in an operating room. But nobody notices. What everybody does notice is that each urinal has a fly in it.

Look harder, and the fly turns into the black outline of a fly, etched into the porcelain. It improves the aim. If a man sees a fly, he aims at it. Fly-in-urinal research found that etchings reduce spillage by 80%. It gives a guy something to think about. That's the perfect example of process control.

no required way how to prepare it

identify all key activities involved in creating and delivering the service and then define linkages between them

distinquish between what customers experience 'front stage' creating and delivering the service and then define linkages between them

distinquish between what customers experience 'front stage' and what are activities of employees and support processes 'backstage'

it clarifies interactions between customers

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blueprint is a way to identify potential fail points in the process

points where there is a significant risk of things going wrong diminishing service quality (from customer perspective)

blueprint can pinpoint stages at which customers commonly have to wait

BRAIN LOADING...

potential

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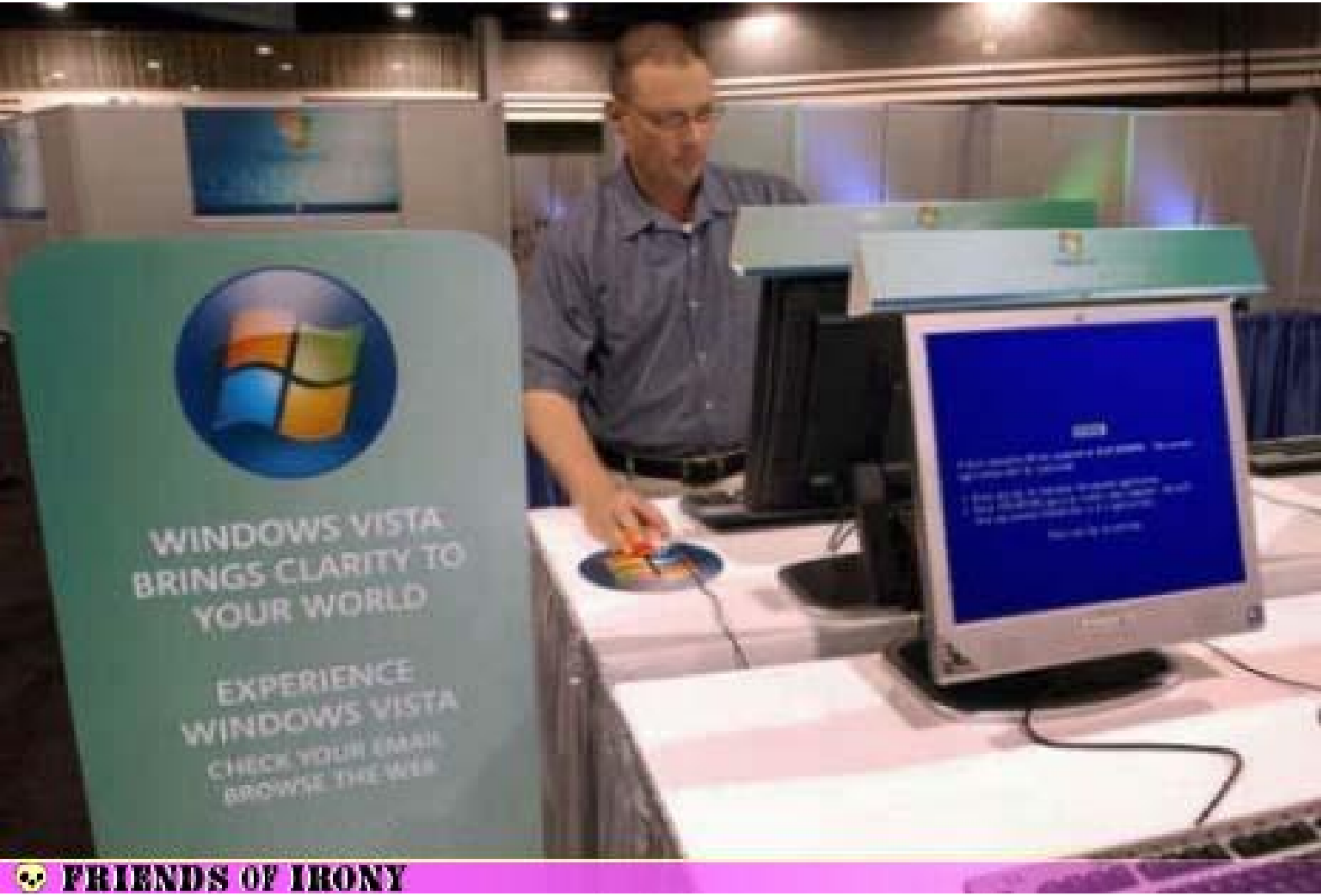
WINDOWS VISTA
BRINGS CLARITY TO
YOUR WORLD
EXPERIENCE
WINDOWS VISTA
CHECK YOUR EMAIL
BROWSE THE WEB
FRIENDS OF IRONY

them can

- take pre
- prepare

based on this information
following can be developed

based on a good understanding of guest expectations, which should be met or even exceeded

standards

times for

- maximu

- scripts t

a full description of service encounter, which may be invited to be reviewed by actors to find missing or superfluous steps

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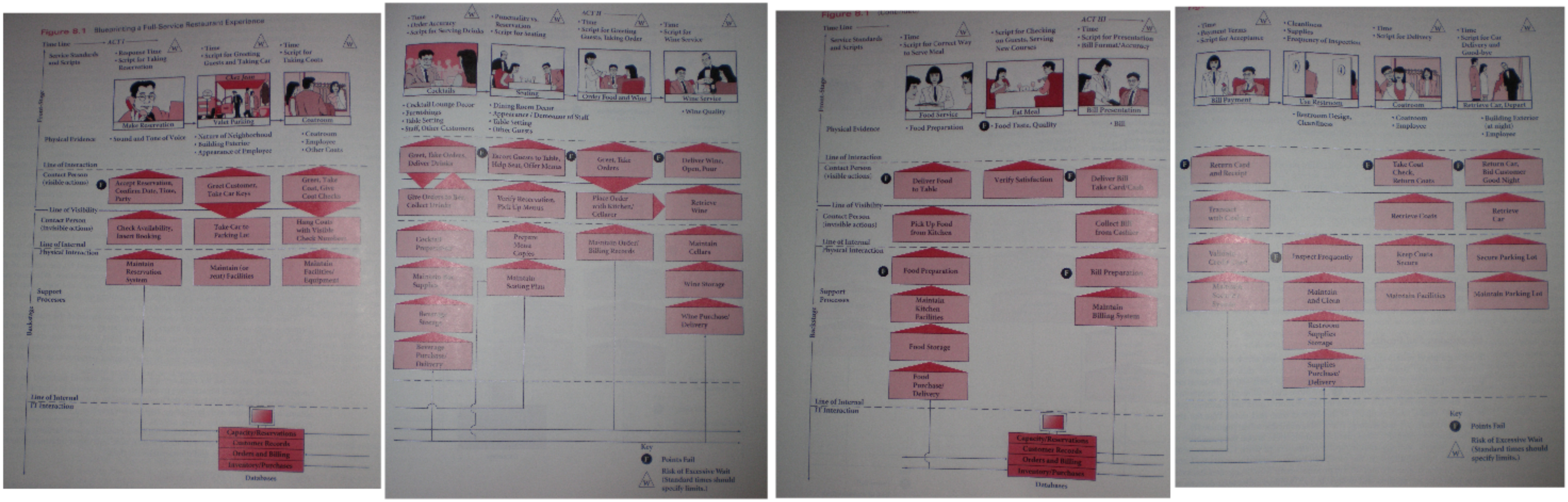
Figure 8.1 Blueprinting a Full-Service Restaurant Experience

Figure 8.1 (Continued)

Time Line
ACT I
Service Standards and Scripts
• Response Time
• Script for Taking Reservation
• Time
• Script for Greeting Guests and Taking Car
• Time
• Script for Taking Coats
Chez Jean
Make Reservation
Valet Parking
Coatroom
Front-Stage
Physical Evidence
• Sound and Tone of Voice
• Nature of Neighborhood
• Building Exterior
• Appearance of Employee
• Coatroom
• Employee
• Other Coats
Line of Interaction
Contact Person (visible actions)
Accept Reservation, Confirm Date, Time, Party
Greet Customer, Take Car Keys
Greet, Take Coat, Give Coat Checks
Line of Visibility
Contact Person (invisible actions)
Check Availability, Insert Booking
Take Car to Parking Lot
Hang Coats with Visible Check Numbers
Line of Internal Physical Interaction
Maintain Reservation System
Maintain (or rent) Facilities
Maintain Facilities/ Equipment
Support Processes
Backstage
Line of Internal IT Interaction
Capacity/Reservations
Customer Records
Orders and Billing
Inventory/Purchases
Databases
• Time
• Order Accuracy
• Script for Serving Drinks
• Punctuality vs. Reservation
• Script for Seating
ACT II
• Time
• Script for Greeting Guests, Taking Order
• Time
• Script for Wine Service
Cocktails
Seating
Order Food and Wine
Wine Service
• Cocktail Lounge Decor
• Furnishings
• Table Setting
• Staff, Other Customers
• Dining Room Decor
• Appearance / Demeanor of Staff
• Table Setting
• Other Guests
• Wine Quality
Greet, Take Orders, Deliver Drinks
Escort Guests to Table, Help Seat, Offer Menus
Greet, Take Orders
Deliver Wine, Open, Pour
Give Orders to Bar, Collect Drinks
Verify Reservation, Pick Up Menus
Place Order with Kitchen/ Cellarer
Retrieve Wine
Cocktail Preparation
Prepare Menu Copies
Maintain Order/ Billing Records
Maintain Cellars
Maintain Bar Supplies
Maintain Seating Plan
Wine Storage
Beverage Storage
Wine Purchase/ Delivery
Beverage Purchase/ Delivery
Key
F
Points Fail
W
Risk of Excessive Wait (Standard times should specify limits.)
• Time
• Script for Correct Way to Serve Meal
• Script for Checking on Guests, Serving New Courses
ACT III
• Time
• Script for Presentation
• Bill Format/Accuracy
Food Service
Eat Meal
Bill Presentation
• Food Preparation
• Food Taste, Quality
• Bill
Deliver Food to Table
Verify Satisfaction
Deliver Bill Take Card/Cash
Pick Up Food from Kitchen
Collect Bill from Cashier
Food Preparation
Bill Preparation
Maintain Kitchen Facilities
Maintain Billing System
Food Storage
Food Purchase/ Delivery
• Time
• Payment Terms
• Script for Acceptance
• Cleanliness
• Supplies
• Frequency of Inspection
• Time
• Script for Delivery
• Time
• Script for Car Delivery and Good-bye
Bill Payment
Use Restroom
Coatroom
Retrieve Car, Depart
• Restroom Design, Cleanliness
• Coatroom
• Employee
• Building Exterior (at night)
• Employee
Return Card and Receipt
Take Coat Check, Return Coats
Return Car, Bid Customer Good Night
Transact with Cashier
Retrieve Coats
Retrieve Car
Validate Credit Card
Inspect Frequently
Keep Coats Secure
Secure Parking Lot
Maintain Security System
Maintain and Clean
Maintain Facilities
Maintain Parking Lot
Restroom Supplies Storage
Supplies Purchase/ Delivery

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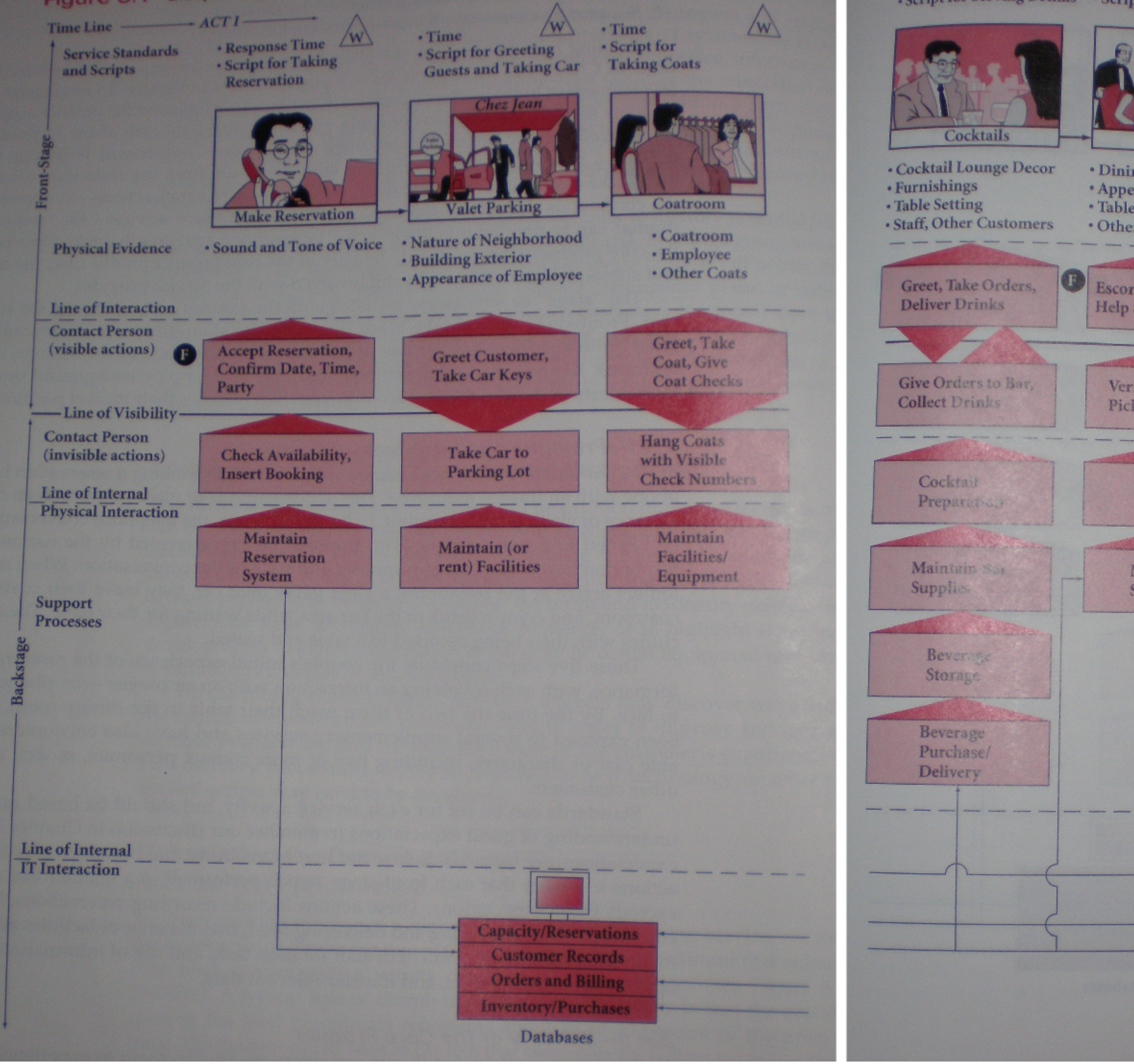
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Service process redesign

revitalize processes that have become outdated

two reasons for outdatet processes

"Nobody uses crystal balls anymore!

changes in external environment
- which made the existing practices obsolete and requires redesign (or new processes) for the organization to remain relevant and responsive

changes in internal environment
- reflects a natural decline of quality of processes, creeping bureaucracy or evolution of unofficial standards
- leads to data redundancy, extensive information exchange, high ratio of control activities, ..

redesign focus on achieving changes in key performances

ideally to achieve them simultaneously

1. to reduce number of service failures
2. to reduce cycle time from customer initiation of a service process to its completion
3. to enhance productivity
4. to increase suctomer satisfaction

redesign encompasses reconstitution, rearrangement, or substitution of processes, such as

- elimination non-value-adding steps
- shifting to self-service
- bundling services
- redesing physical aspects
- ...

consider (or reconsider) who should be responsible for delivery of each of component

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© Original Artist
www.CartoonStock.com
Madam Zonga Fortune Teller
search ID: jkon69
J.Kohl

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FAILURE
Sometimes you just don't have an excuse

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you
me
pm
noon

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WAiTRESS
AVAiLABLE
SOMETIMES

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The customer as co-producer

levels of customer participation

- low requires the physical presence of customer only
- moderate include provision of information, personal effort,
- high cannot be created apart from the active participation of customer -> if not, the quality of service outcome is jeopardized

self-service technologies

loved and hated at the same time

- accessible 24/7
- enabling to get detailed information
- faster

- they can fail
- difficult to understand
- usually no service recovery system (which means e.g. we have to call somewhere)

customers as partial employees

this perspective requires a change in management mindset

NOTE that customers who are offered an opportunity to participate at an active level are more likely to be satisfied -> because they like to be offered a choice

1/3 of all service problems are caused by customers

focus on preventing their failures by collection data on problem occurences, analyze them and establish preventive solutions

EPIC FAILURE

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YouTube

YouTube

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