

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

**POST GRADUATE DIPLOMA IN MANAGEMENT (2024-26)**  
**END TERM EXAMINATION (TERM -IV)**

Subject Name: **Service Operations Management**

Time: **02.00 hrs**

Sub. Code: **PGO42**

Max Marks: **40**

**Note: All questions are compulsory. Section A carries 12 marks: 6 questions of 2 marks each, Section B carries 18 marks having 3 questions (with internal choice question in each) of 6 marks each and Section C carries 10 marks one Case Study having 2 questions of 5 marks each.**

**Kindly write the all the course outcomes as per your TLEP in the box given below:**

S. No.	Course Outcomes (COs)	Bloom's Taxonomy Level
CO1	To define and understand the main theoretical and conceptual frameworks of Service Operations.	Remember L1 Understand L2
CO2	To apply the Knowledge and understanding of the key operational levers that can be applied to the management of service operations and the proactive management of customer experience.	Application L3 Analysis L4 Create L6
CO3	To demonstrate an understanding of role of strategic operations planning and skill in constructing and optimizing a strategic operations plan.	Analysis L4 Evaluate L5
CO4	Demonstrate practical and analytical skills with use of information communication technology tools and techniques pertaining to the management of transaction-based service processes.	Analysis L4 Create L6

**SECTION - A**

Attempt all questions. All questions are compulsory.

**2×6 = 12 Marks**

Questions	CO	Bloom's Level
<b>Q. 1: (A).</b> What is the difference between Services and goods? <b>Q. 1: (B).</b> What are the challenges faced in service organizations? <b>Q. 1: (C).</b> Define the Service operation management.	CO1	L1, L2
<b>Q. 1: (D).</b> Define Competitive Service Strategies. <b>Q. 1: (E).</b> Define the Service value chain. <b>Q. 1: (F).</b> Define Saturation Marketing Strategy.	CO2	L1, L2

**SECTION – B**

All questions are compulsory (Each question has an internal choice. Attempt anyone (either A or B) from the internal choice)

**6 x 3 = 18 Marks**

Questions	CO	Bloom's Level
<b>Q. 2: (A).</b> A premium hotel wants to improve interactions among employees, customers, and the service organization. Explain the Service Encounter Triad and identify the main challenges in managing these interactions effectively. Suggest practical measures to overcome these challenges.	CO2	L3
<b>Or</b>		
<b>Q. 2: (B).</b> A tech startup plans to launch an innovative online service. Define the New Service Development Cycle and explain how the startup can apply each stage to design, test, and implement the service successfully.	CO3	L4

**Q. 3: (A).** A hospital receives complaints about inconsistent service quality across departments. Explain the Service Quality Gap Model and analyze how the hospital can identify and bridge gaps to enhance overall service quality.

**Or**

**Q. 3: (B).** A bank wants to ensure consistent customer service time at its helpdesk. The manager measures how long (in minutes) it takes for a customer service officer to resolve customer queries.

Each day, 4 customers are selected randomly, and their service times are recorded. The goal is to monitor whether the average service time and its variation remain stable.

Day	Monday	Tuesday	Wednesday	Thursday	Friday
Service Time(in minute)	7,8,4,10	6,8,6,3	7,9,5,4	8,9,7,3	3,5,7,6

(where  $A2=0.729$  and  $D3=0$ ,  $D4= 2.282$ )

**Q. 4: (A).** A popular restaurant faces high customer traffic during weekends and low traffic on weekdays. Define various strategies for managing demand and suggest practical measures the restaurant can adopt to smoothen demand, improve customer satisfaction, and optimize resources.

**Or**

**Q. 4: (B).** A budget airline wants to maximize revenue by adjusting seat prices based on demand. Define Yield Management and explain, with an example, how the airline can use this technique to increase profitability while meeting customer needs.

CO4 L3

**SECTION - C**

Read the case and answer the questions

**5×02 = 10 Marks**

**Questions**

**CO**

**Bloom's Level**

Q. 5: Case Study:

***When Technology Fails to Deliver: The Case of Nova Bank's Premium Customer Desk***

Nova Bank is one of the fastest-growing private banks in India, known for digital banking and customer-centric services. In 2022, the bank launched a new initiative — **“Premium Customer Desk”** — targeting high-value account holders. The goal was to provide **personalized, fast, and technology-enabled services**, especially for loan processing, investment advisory, and international fund transfers.

Initially, customer responses were positive. However, within one year, complaints began to rise. A third-party service audit revealed multiple operational issues affecting customer experience.

<b>Complaint Category</b>	Long waiting time at premium desk	Delay in processing loans and services	Relationship managers not proactive / unresponsive	App-based services not aligned with in-branch support	Promises given during onboarding not fulfilled
<b>% of Customers Reporting</b>	38%	42%	29%	31%	25%

CO4

The internal observations highlighted several serious disconnects between Nova Bank's expectations and actual service delivery. Management initially believed

<p>that premium customers placed the highest value on investment advisory and priority lounge services; however, customer feedback revealed that speed, convenience, and timely support were more important. The bank also advertised “Loan approval in 48 hours,” yet due to verification bottlenecks, the actual processing time frequently extended to 4–6 days, which created frustration and disappointment among customers. Although Nova Bank invested in CRM technology to enhance customer tracking, the staff often failed to update customer interaction logs, causing repeated questions and impaired follow-up. Moreover, each Relationship Manager was handling approximately 40% more clients than the recommended capacity, resulting in delayed responses and poor personalized service. Customers further complained that the information provided on the mobile banking app often did not match details given at the branch—such as document requirements, exchange rates, and turnaround times—creating inconsistency and mistrust. Due to these service failures, the bank began losing premium clients, evidenced by an 18% decline in investment portfolio renewals, a 27% drop in loan cross-selling conversions, and a noticeable increase in negative ratings on social media and Google Business reviews.</p> <p>To address this situation, the management proposed several action steps, including implementation of an AI-based ticketing system to track pending customer requests, deploying a chatbot for basic banking queries, introducing real-time customer queue management in branches, hiring additional Relationship Managers during peak hours, and developing new Service Level Agreement (SLA) guidelines for premium services. However, despite these proposed solutions, the operational team remains uncertain whether these initiatives will effectively eliminate the core service quality gaps that led to the decline in customer satisfaction in the first place.</p> <p>Questions:</p> <p><b>Q. 5: (A).</b> Using the Service Quality Gap Model, identify and explain the types of service quality gaps Nova Bank is facing. Provide <i>specific evidence</i> from the case to justify each gap.</p> <p><b>Q. 5: (B).</b> Assume Nova Bank has a limited budget. Which two improvement initiatives should be prioritized first? Justify your answer with quantitative or qualitative reasoning using data given in the case.</p>		L4,L5
--	--	-------

**Kindly fill the total marks allocated to each CO’s in the table below:**

COs	Question No.	Marks Allocated
CO1	Q1 A, B,C	6
CO2	<b>Q1 D, E,F &amp;Q.2</b>	<b>12</b>
CO3	Q3	6
CO4	Q4,Q5	16

**Blooms Taxonomy Levels given below for your ready reference:**

- L1= Remembering**
- L2= Understanding**
- L3= Apply**
- L4= Analyze**
- L5= Evaluate**
- L6= Create**