

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER III – EXAMINATION – WINTER 2019****Subject Code: 4539272****Date: 04/12/2019****Subject Name: Services Operation Management (SOM)****Time: 10:30 AM to 1:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1 Explain the following** **14**
- (a) GIS  
(b) Ordering Cost  
(c) Outsourcing  
(d) Pricing Risk  
(e) Offshoring  
(f) Phantom Stockout  
(g) Quasi-manufacturing
- Q.2 (a)** How do you define service? Write down its characteristic. **07**
- (b)** Explain the characteristic of services that will be most appropriate for internet delivery. **07**
- OR**
- (b)** What is yield management? Why is yield management important? **07**
- Q.3 (a)** What do you understand Inventory in Services. Explain difference between service inventories versus manufacturing inventory. **07**
- (b)** Discuss when and how the newsvendor model of inventory can be applied to services. **07**
- OR**
- Q.3 (a)** Brief the facility location. Brief the location set covering problem. **07**
- (b)** You have been hired, as a recent MBA, to work with a local firm that is expanding its market internationally. You are asked to initiate contacts with a foreign economy to initiate offshoring in the country. **07**
- Q.4 (a)** What are the objectives of inventory managements? Discuss the various features of inventory managements. **07**
- (b)** What is outsourcing? Is outsourcing a "low hanging fruit" that produces easy results? Is outsourced have a very high chance of failure? **07**
- OR**
- Q.4 (a)** What do you understand organizational competitive capabilities for effective offshoring? Explain risks under offshoring. **07**
- (b)** You appoint in Hotel, your work to make strategy for maximize the profit, hotel have to play with rates of their fixed resources - that are rooms. To do so that hotel has to apply sure-fire strategy by using yield management strategy. **07**

**Q.5** CASE STUDY: [www.FirstRanker.com](http://www.FirstRanker.com) [www.FirstRanker.com](http://www.FirstRanker.com)

The hotel owner focuses on different marketing strategies within this case study such as advertising, discount distribution; word of mouth marketing etc. this is to help maximize revenue/yield.

News papers are expensive and billboards aren't effective.

Sales when customers come in purchases only work when the owner is the front desk because the employees don't have the desire and commitment.

50% of clients are regulars and employees understand their needs and display good customer service. No discounts are given to them though.

Walk-in customers may get a discount, however he has to keep this decision on a low profile so his regular customers don't think he is being unfair.

- (a) What role does the hotel staff play in yield management? **07**
- (b) Why is desire important for Yield Management? **07**

**OR**

- Q.5**
- (a) How can managers reduce problems in giving discounts to certain types of guests? **07**
  - (b) Determine the inventory that is able to be distributed without affecting the profit being made. **07**

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