

Digitalization In Service Operations Management

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Abstract

The contribution of service sector in Indian economy is 50% i.e., in India's GDP as per economic survey of the FY 2021-22, which article was declared by Union Ministry for finance and corporate affairs Smt. Nirmala Sitharaman in parliament. Digitization in the management of service companies is therefore very important in order to able to work quickly and smoothly. Service industry is customer-oriented industry and it is very necessary to attract, maintain and sustain customers and for that digitization is become necessary for any service industry.

Keywords: Service industry, the customer, digitization, operations, the management

Introduction

In any customer service-based industry time management and fast service is very important to attract, maintain and sustain the customers. It creates a good reputation and market value not only among the customers, but also traders, investors and suppliers. In today's competitive and fast-growing an era, it is very important for any service industry to provide a good and fast service and for that service operations management. It is important for those people who are working at a front desk/back-office level. They have to do multiple work on a same time like as to attain the calls, customers, work put on the table and prompt replies to the mails. To make all these tasks easier, it is very important to have digitization in any service industry. It will make your work fast, easy and clear. It will become easier to manage workflow and complete day to day work. It would be easy to track any work from any location and also easy to share with anyone at any place.

Research Objectives

The research objectives behind this are as below,

1. To know the concept of service operations management and digital operations and how both are related to each other.
2. To know the benefits of digitization in service operations management

Literature Review

- **Stephen Mc Laughlin (2010)**, presented a paper on “**Service operations and management.**” The basic concept of service management is explained in this i.e., there is no commonly accepted definition for it. It is basically a strategy to control through

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digitization. The various factors which shape services industries are technology development, demographic changes, globalization, changing consumer behavior are explained.

- **Civil Services India**, presented an article on, “**Management of service operations.**” This article discusses various elements of core services such as supporting facilities, facilitating goods, explicit services, implicit services, etc. The various goals of the service organization are responsive, stable services, realization of values, etc. The five service operations processes are request fulfillment, incident management, access management, event management, etc.
- **Taylor Forest (2020)**, published an article on “**What is service operations?**” It has told that the role of service operations is very difficult, because it is customer oriented and also need to control internal matter. So, it is management between internal and external affairs. It must do the day-to-day work of creating positive customer experiences, monitoring customer feedback, and driving customer engagement.
- **Antonis Kazoulis (2021)**, published an article on “**The 10 key principles of service operations management.**” It has explained the concept of operations management that it is the planning, organization and monitoring of human resources, raw materials, tasks and projects to improve productivity. Also, key principles of service operations management are also explained.
- **Service Operations Management** The main focus of service operations management is always customer oriented i.e., marketing, sales and service. These three are the main components of the input flywheel. It is very important to keep all those three together to attract, retain and delight customers. For successful marketing, successful, sales and successful service you need to do some behind-the-scenes work. Service operations mean continue work with professional service teams, customer support teams and customer experience teams.

There are some challenges that need to be handled and faced by marketing, sales or service operations persons,

- Person has to communicate with different departments on a daily basis.
- You need to collect information and data that is centralized and accessible to all parties.
- Provide feedback and updates within the specified time period.
- They need to manage their workforce efficiently and effectively to optimize performance.

Below are some examples of the various solutions that service managers had to oversee in order to create a continuous cycle for managing services:

- Tools to measure customer expectations and customer experience
- Tools to support customer support teams
- Project management tools to track task status
- Tools for customer communication such as messaging or chat platforms
- Software for invoicing and billing

The exact tech stack to manage and optimize service operations will depend on the structure of your team, but generally includes the following:

- Tools to measure customer success and sentiment such as feedback surveys and ticketing

- Tools for providing self-service support to customers such as knowledge bases
- Tools for managing your team and its product or service delivery such as project management and enterprise solution management platforms
- Tools for customer communication such as messaging or chat platforms
- Tools for mapping and measuring the customer journey
- Billing software that customers interact with

In today's competitive business climate, the primary focuses of all service-based industries customer retention.

In our country manufacturing, services and agriculture are the main economic sector.

According to statistics, the manufacturing and service sectors together contribute 75% of GDP.

Theorists such as Johnston & Clark (2001) stated that product and service design involves satisfying customer needs in terms of product and service requirements, formulating quality and cost objectives, documenting specifications, refining existing products and services, and developing new products and services. Thus, product and service design can influence a large part of a company's functional areas, especially marketing and operations.

Sasser et al coined the term "service concept," which they defined as "the total bundle of goods and services sold to the customer and the relative importance of the individual component to the customer" (1978).

The value of the concept lies in bringing together the various elements of the service such as operational elements, marketing priorities and customer requirements, to create a meaningful, overarching service definition that is sufficiently detailed to create a working service specification.

Basically, the service package includes three elements, namely facilitating goods, explicit services and Implicit services which are explained below,

Elements	Examples
Core Service	
• Supporting facilities	} Facilities layout, décor, support technology and equipment, branch network, kiosks, roller coasters
• Facilitating goods (physical items)	
• Facilitating information	} Schedules, fee structures, data, medical records, web page design, diagnostics
• Explicit services (experiential/sensual)	
• Implicit services (psychological benefits)	} Satisfy hunger, transportation, surgery, "transactions," entertainment
Peripheral Services	} Comfort, status, convenience well-being, delight
	} Services/facilities that supplement or "surround" the core service [e.g., valet parking for hospital services, shopping at terminals for air transportation services]

Image 1,

The main objective of Service operations is to provide services to customers and manage services at the agreed level for business users and customers. Service Operations is

also responsible for the on-going management of the technology that is used to deliver and support services.

Other goals of Service Operations are,

- A normal day-to-day business operation
- Realisation of value
- Achieving stable services
- Achievement of service excellence
- Robust end to end operational practises
- Implementation of processes and services

There are numerous factors involved in launching a service business. Service businesses must first conduct a feasibility study.

- Use the technology that is already good in the organization
- Take it slow and focus on small steps and quick wins
- Appoint a strong project manager with end-to-end focus to drive the implementation program forward
- Consider the change management issues in the organization
- Communicate repeatedly why the organization needs this to happen
- Measure successes on an on-going basis

The service sector has become the dominant form of employment in industrialised countries. Much of the world has evolved, or is in the process of evolving, from an agricultural economy to an industrial economy and now to a post-industrial economy. The U.S. Bureau of Labour Statistics provides a table showing the employment of 151 million people by industry in the United States for 2014.

Industry	Employment
Agriculture and Mining	2
Construction	5
Manufacturing	10
Federal government	2
State governments	13
Leisure & Hospitality	9
Health care and social	10
Education private	2
Professional and business	11
Financial Services	6
Information services	2
Transportation and utilities	3
Retail and wholesale	14
Other services	4
Self employed	7
Total	100

Advantages Of Service Operations Management

1. **Scalability**
It is easy and possible for any size of organization to adopt it.
2. **Reduction of costs**
By providing a good service it becomes easy and more efficient to reduce overall costs.
3. **Improved quality**
Good service operations management improves the quality in the organization in various departments.

Questions On the Management of In-Service Operations

- Front office/back office
- Quality of services
- Development of new services
- Management of yield
- Management of service experiences
- Management of waiting times
- Analyses of process
- Management of inventories

What Is Digital Operation?

Digital operation means that the workflow of a company (i.e., the sequence of activities) is digitally supported, even if not completely digital. Digital operations must therefore begin with the digitization of the process flow, including all work instructions.

Digital transformation is the shift from paper to computers, from office memos to teams collaboration apps, and from sticky notes to digital enterprise apps. But it's more than just investing in a few apps and hardware. It's also a cultural shift that requires a change in workflow to work better in a digital environment and make most use of it.

Top Four ways Digitization can improve your daily service management operations



Image 2₁₃

1. Digitize the work environment

Digitization becomes useful to manage operational workflows and data flows in the work place where it becomes easy to obtain any type of data at any location. It also makes it easier to deal with customers, suppliers and partners who are the major part in service industry. It creates digital twins of your physical resources and gains an information insight on your operations.

2. Input operating procedures

Digital transformation makes it easier to schedule work, assign jobs, and create checklists and workflows tailored to your operation. No expertise is required (IT), skills and it also becomes easier to coordinate work tasks across multiple teams, improving task management and work orders. Paperwork and wasted time are reduced.

3. Go Mobile

Through Go mobile it will be easier to do the work from anywhere, one desk less work improve the management of their workload and easily accessible, easy to update, check priorities and also easy to track the progress of work only on one device.

4. Measure and Optimize

When digitizing operations, companies gain more detailed of insight into process performance through customized dashboards and interactive reports. All key information is just a click away, and custom reporting saves time on report creation as all relevant information is already regularly updated on the dashboard. Digitizing operations also provides the ability to evaluate performance and understand operations using built-in metrics and industry-specific KPIs.

Drivers Of Successful Digitization

1. Develop a clear integrated strategy
2. Commit to leadership from the top to the middle
3. Put the best people in the right places
4. Adopt an agile governance mentality
5. Monitor and measure the progress of your transformation
6. Create an enterprise – led technology and data platform

Key Principle of Service Operations Management

1. Reality
2. Organization
3. Humility
4. Success
5. Responsibility
6. Causality
7. Fundamentals
8. Deviation
9. Controlled passion
10. Change

Conclusion

So, from this discussion we can conclude that digitization is very important not only from the customer's point of view only but also for the growth of the Indian economy in the service sector as the contribution of the service sector to GDP is almost 50%. So, at the end of the day, we can say that through digitalization we can develop our service industry because it makes our work easier, faster and less time consuming. A good and fast service not only creates good image among customers, but also among distributors, investors, suppliers etc.

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