MIST 205: Technology-enabled Service
Spring 2019
4 Units

Instructor: Paul P. Maglio   **Meeting room:** SSM 203
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office: SSM 206A
office hours: Thursdays 12-1PM

Outline: Students will gain an understanding of how information-based services and systems can be used to meet the needs and challenges of modern organizations. Additionally, students will gain an understanding of how internet-related technologies add value to organizational and business functions, including marketing, management, and more. Students will be asked to use design thinking and management principles to improve strategies, processes, operations, and the decision making in specific cases to better meet customer and other stakeholder needs.

Course Learning Objectives: The Course Learning Outcomes (CLOs) support student development of the Program Learning Outcomes (PLOs). The connections between the CLOs are made explicit through the indication of which PLOs are connected to each CLO below. By the end of the course, students will be able to:

1. Describe and apply the traditional concepts, theories, and methods from service marketing, service operations, and related fields. (PLO1)
2. Describe design thinking and systems thinking approaches as applied to analysis and design of specific service settings. (PLO2)
3. Describe and apply techniques for measuring and evaluating service outcomes. (PLO1, PLO2)
4. Describe problems in the service sector and their origins. (PLO1)
5. Describe various ways that modern information technologies can support service interactions and service operations, particularly the impact of data analytics, automation, and even smart or autonomous systems. (PLO1, PLO2, PLO5, PLO6)
6. Apply appropriate design methods to create and improve services, particularly through the use of technology for scaling and quality improvements. (PLO6)

Relationship to Program Learning Outcomes and Requirements: This course aligns with four of the MIST M.M. program learning outcomes:

1. *Foundations of Management.* Students will apply traditional functional area concepts and theories from business and management, including concepts and theories from marketing, management, operations, strategy, accounting, finance, and more in complex organizational, managerial, and technical situations.
2. *Critical Thinking for Management*. Students will develop and use appropriate analytical, quantitative, and data-oriented techniques to evaluate case studies for strategic planning and decision-making in complex organizational, managerial, and technical situations.
5. *Business Ethics and Societal Context*. Students will apply their knowledge of ethical and legal requirements and of professional, societal and cultural contexts of global management activities in complex organizational and managerial situations.
6. *Innovation, Sustainability, and Technology*. Students will synthesize theory and practice from a diverse array of disciplines leveraging real-world team settings to design innovative solutions that tackle strategic, organizational, and technical challenges.

Workload: This class meets for three hours of lecture and discussion each week. It is expected that preparation will require nine hours of time outside class each week to complete readings and assignments.

The latter three weeks of the course consist mainly of a cross-course project with class meetings only as needed.

Cheating and Academic Honesty: Don't cheat. Like all universities, UC Merced has a formal policy on this: http://studentlife.ucmerced.edu/what-we-do/student-judicial-affairs/academicy-honesty-policy .

Disability Services: UC Merced is committed to ensuring equal academic opportunities and inclusion for students with disabilities (see http://disability.ucmerced.edu/). If you need any assistance, please contact the instructor.

Grading: A passing grade in this course is "B". Final grades are determined as follows:

Three Short Individual Papers	15% (5% each)
Two Case Notes	10% (5% each)
Three Discussion Notes	15% (5% each)
Group Project Progress Reports	10% (5% each)
Group Project Report/Presentation	15%
Semester Project	25%
Class Participation	10%

Texts

Frei, F. & Morriss, A. (2012). *Uncommon service: How to win by putting customers at the core of your business.* Cambridge, MA: Harvard University Press. (Kindle download)

Hsieh, T. (2010). *Delivering happiness: A path to profits, passion, and purpose.* New York: Business Plus. (Kindle download)

Kandogan, E., Maglio, P. P., Haber, E. & Bailey, J. (2012). *Taming information technology: Lessons from studies of system administrators*. New York: Oxford University Press. (UC Merced Library - http://ebookcentral.proquest.com/lib/ucm/detail.action?docID=3054795)

Wirtz, J. & Lovelock, C. (2016). *Service marketing: People, technology, strategy*. Hackensack, NJ: World Scientific. (Kindle download)

Readings

Campbell, C. S., Maglio, P. P. & Davis, M. M. (2011). From self-service to super-service: How to shift the boundary between customer and provider. *Information Systems and eBusiness Management*, 9(2) 173-191. (UC Merced Library - http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=60016903&site=ehost-live)

Chase, R. B. (1978). Where does the customer fit in a service operation? *Harvard Business Review, 56*, 137 – 142. (HBSP packet)

Chase R. B. (2010). Revisiting "Where does the customer fit in a service operation?" Background and future development of contact theory. In P. P. Maglio, C. A. Kieliszewski & J. C. Spohrer (Eds.) *Handbook of Service Science,* New York: Springer, 11-18. (UC Merced Library - http://ebookcentral.proquest.com/lib/ucm/detail.action?docID=603354)

Chase, R. B. & Dasu, S. (2001). Want to perfect your company's service? Use behavioral science. *Harvard Business Review*, (June), 79 – 84. (HBSP Packet)

Glushko, R. J. (2010). Seven Contexts for Service System Design, in P. P. Maglio, C. A. Kieliszewski, & J. C. Spohrer (Eds.), *Handbook of Service Science*, New York: Springer, 219-249. (UC Merced Library - http://ebookcentral.proquest.com/lib/ucm/detail.action?docID=603354)

Glushko, R. J., and Nomorosa, K. J. (2013). Substituting Information for Interaction: A Framework for Personalization in Service Encounters and Service Systems. *Journal of Service Research*, 16(1), 21-38. (UC Merced Library - https://doi.org/10.1177%2F1094670512463967)

Lovelock, C. & Gummesson, E. (2004). Whither services marketing? In search of a new paradigm and fresh perspectives. *Journal of Service Research, 7*, 20 – 41. (UC Merced Library - https://doi.org/10.1177%2F1094670504266131)

Maglio, P. P., Kieliszewski, C. A., Spohrer, J. C., Lyons, K., Patricio, L. & Sawatani, Y. (2018). Introduction: Why another handbook? In Maglio, P. P., Kieliszewski, C. A., Spohrer, J. C., Lyons, K., Patricio, L. & Sawatani, Y. (Eds.). *Handbook of service science, Volume II.* New York: Springer. (UC Merced Library – available from instructor)

Maglio, P. P. & Spohrer, J. (2013). A service science perspective on business model innovation. *Industrial Marketing Management*, *42*, 665-670. (UC Merced Library - https://doi.org/10.1016/j.indmarman.2013.05.007)

Maglio, P. P., Srinivasan, S., Kreulen, J. T. & Spohrer, J. (2006). Service systems, service scientists, SSME, and innovation. *Communication*s of th*e ACM*, *49(7)*, 81-85. (UC Merced Library - https://dl.acm.org/citation.cfm?id=1139955)

Normann, R. & Ramirez, R. (1993). From value chain to value constellation: Designing interactive strategy. *Harvard Business Review, 71*, 65 – 77. (HBSP Packet)

Prahalad, C. K. & Ramaswamy, V. (2000). Co-opting customer competence. *Harvard Business Review*, 78, 79-93. (HBSP Packet)

Spohrer, J., Maglio, P. P., Bailey, J. & Gruhl, D. (2007). Steps toward a science of service systems. *Computer,* 40, 71-77. (UC Merced Library - https://doi.org/10.1109/MC.2007.33)

Spohrer, J. & Maglio, P. P. (2010). Toward a science of service systems: Value and symbols, in P. P. Maglio, C. A. Kieliszewski & J. C. Spohrer (Eds.), *Handbook of service science*. New York: Springer. (UC Merced Library http://ebookcentral.proquest.com/lib/ucm/detail.action?docID=603354)

Vargo, S. L. & Lusch, R. F. (2004). Evolving to a new dominant logic for marketing. *Journal of Marketing, 68*, 1 – 17. (UC Merced Library - https://www.jstor.org/stable/30161971)

Short Paper Assignments

For each of the first three weeks, you will turn in a short (two- page) paper.

Short Paper 1: Describe two services. Two-page paper: Describe *two specific services* you've used, one that you think is good and one that you think is not-so-good. Describe how each works and your interactions with them, showing why you think one is better than the other and how you might improve the not-so-good one.

Short Paper 2: Complaint Letter. Two-page paper: Write a short complaint letter to a service provider. Be specific in your complaint and offer some possible remedies.

Short Paper 3: Re-describe two services. Two-page paper: Re-describe the *two specific services* you wrote about in the first assignment, this time using the concepts and language you've learned about service in the course so far.

Cases

There will be two case discussions during the semester. For each, you are to turn in one-to-two pages of notes/comments before the discussion. These are individual assignments. Participation during case discussions is expected.

Progressive Insurance (HBSP Packet)

Consumer auto insurance is a price-sensitive industry in which customers rarely pay a premium to a provider even for additional service features. Progressive spends more on additional service features than its competitors do; consumers don't pay extra for these features, yet the company makes money on a product its competitors often do not. Central to Progressive's success is its ability (a) to turn operational savings into value-added service and (b) to capitalize on its unique competencies through clever service design. Progressive is considering a national rollout of Autograph, a pay-as-you-go insurance service offering that recently completed a successful pilot in Texas.

Learning objective: To learn how to create operational savings and value-added services simultaneously; to learn how to accelerate operational expertise through innovative service design; and to learn how to introduce new technologies into consumer services.

Commerce Bank (HBSP Packet)

Commerce Bank has become one of the fastest growing banks in the country, despite having defied conventional wisdom about how to grow deposits. Banks historically have grown either by competing on deposit rates or through acquisitions that expand their deposit base. Commerce has the lowest deposit rates in each of the local markets it serves and has acquired no other banks, yet its growth rate is unparalleled. Its secret? Commerce differentiates itself on service. Explores the highly refined service model that guides the design of its operations and service features and considers the trade-offs involved in competing on service.

Learning objective: To explore how a company systematically designs and funds service excellence.

Group Project

Early in the semester, we will form project teams. Your team will design and implement a new service offering, and present it at the end of the semester. To do well in this exercise, the proposed new service must incorporate correctly the key concepts covered in the course. The service needs to have a reasonable chance of success in the marketplace. The final deliverable is a team presentation and a team paper describing the new service. There will be time to work to work in your group on the project during class in the middle of the semester. There will also be an individual progress report and a team presentation mid-way through.

Discussion Notes

Most weeks, there will be readings for discussion in class. Toward the end of the semester, you will pick the readings and you will lead the discussion (we'll organize this later). For these latter weeks, you are to turn in a page or so of notes about the readings before class. These need not be particularly thorough or structured in a particular way, but should capture what you learned or what you have questions about, representing your preparation for class discussion.

Guest Speakers

We will have a few guest speakers visit the class. The guest speakers may not always be tightly related to the lecture topic of the day, but will always be relevant to service. These folks have gone out of their way and traveled to be here for you. So show up, be polite, and participate.

Course Schedule

January 24, 2018
Service
Lecture:	Wirtz & Lovelock	Chapters 1, 2
Discussion:	Chase (1978, 2010)	
Assignment:	**Short Paper 1: Describe two services (Individual)**	

January 30, 2018 (Note special day, Wednesday)
Service Marketing
Lecture:	Wirtz & Lovelock	Chapters 4, 5, 12, 13
Discussion:	Prahalad & Ramaswamy (2000)	
Assignment:	**Short Paper 2: Write a complaint letter (Individual)**	

February 7, 2018
Service Operations
Lecture:	Wirtz & Lovelock	Chapters 8, 9, 10
Discussion:	Chase & Dasu (2001)	
Assignment:	**Short Paper 3: Re-describe your two services (Individual)**	

February 13, 2018 (Note special day, Wednesday)
Service Innovation and Design
Lecture:	Wirtz & Lovelock	Chapters 11, 14
Discussion:	Glushko (2010)	
	Normann & Ramirez (1993)	
Activity:	Progressive Insurance Case	
Assignment:	**Case Notes 1: Progressive (Individual)**	

February 21, 2018
IT Service
Lecture:	Kandogan, Maglio, Haber & Bailey (2012)
Guest:	**Ann Kovalchick, Chief Information Officer, UC Merced**
Activity:	**Group Project Start**

February 28, 2018
Delivering happiness
Lecture:	Hsieh (2010)
Guest:	**Dan Russell, User Experience Guru, Google**
Assignment:	**Group Project Preliminary Write up (Group)**

March 7, 2018
Uncommon Service
Lecture:	Frei & Morriss (2012)
Discussion:	Campbell, Maglio & Davis (2011)
	Glushko & Nomorosa (2013)
Activity:	**Group Project Preliminary Presentation (Group)**

March 14, 2018
Service Science (1)
Lecture:	Maglio et al (2006)
	Maglio et al. (2018)
	Maglio & Spohrer (2013)
	Spohrer et al. (2007)
	Spohrer & Maglio (2010)
Guest:	**Dave Vinson, Research Scientist, Accenture Labs**

Discussion: Lovelock & Gummesson (2004)
               Vargo & Lusch (2004)
Assignment: **Discussion Notes 1 (Individual)**

March 21, 2018
Service Science (2)
Guest: **Jim Spohrer, Director Cognitive Open Technologies, IBM**
Activity: Commerce Bank Case
Assignment: **Case Notes 2: Commerce Bank (Individual)**

April 4, 2018
Readings in Service (1)
Discussion: TBD
Guest: **Steve Shackelton, Former Head Ranger, National Park Service**
Assignment: **Group Project Progress Report (Individual)**
Assignment: **Discussion Notes 2 (Individual)**

April 11, 2018
Readings in Service (2)
Discussion: TBD
Assignment: **Discussion Notes 3 (Individual)**

April 18, 2018
Service Project
Assignment: **Group Project Report (Group)**
Activity: **Group Project Presentation (Group)**

April 25, 2018   **May 2, 2018**   **May 9, 2018**
Assignment: **Semester Project**