MIST 205: Technology-enabled Service
Spring 2023
4 Units

Instructor: Paul P. Maglio
email: pmaglio@ucmerced.edu
office hours: Mondays 12 – 1 PM

Meeting time: Mondays 1 – 4 PM
Meeting room: SSM 203

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 – partly synchronously and partly asynchronously. It is expected that preparation will require nine hours of time outside class each week to complete readings and assignments.

Cheating and Academic Honesty: Don't cheat. Do your own work. 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.

Library Materials: Access to many of the articles and other reading materials is through UC Merced's library. In some cases, you may have to use the campus's VPN to access library resources remotely.

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

Four Short Papers	20% (5% each)
Two Cases Prework	20% (10% each)
Two Project Progress Reports	10% (5% each)
Project Progress Presentation	5%
Project Presentation	10%
Project Report	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.

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

Kandogan, E., Maglio, P. P., Haber, E. & Bailey, J. (2012). *Taming* i*nformation 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.

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

Dixon, M., Ponomareff, L., Turner, S., & DeLisi, R. (2017). Kick-ass customer service. *Harvard Business Review*, *95*(1), 110-117. (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 - https://link.springer.com/chapter/10.1007/978-1-4419-1628-0_11)

Kolko, J. (2015). Design thinking comes of age. *Harvard Business Review*. (HBSP Packet)

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 – https://link.springer.com/chapter/10.1007/978-3-319-98512-1_1)

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)

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)

Sawhney, M. (2016). Putting products into services. *Harvard Business Review*. (HBSP Packet)

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 - https://link.springer.com/chapter/10.1007/978-1-4419-1628-0_9)

Vargo, S. L., Maglio, P. P., and Akaka, M. A. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, *26*(3), 145-152. (UC Merced Library - https://doi.org/10.1016/j.emj.2008.04.003)

Short Paper Assignments

For some weeks, you will turn in a short (one-page, single-spaced) paper. Each short paper should summarize the week's article reading in your own words.

Jan 30 – Summary of *Prahalad & Ramaswamy (2000)*

Feb 6 – Summary of *Chase & Dasu (2001)*

Feb 13 – Summary of *Kolko (2015)*

Mar 20 – Summary of *Dixon, Ponomareff, Turner & DeLisi (2017)*

Cases

There will be two case discussions during the semester. For each, there will be prework – a few assignment questions will be posted about a week before the case discussion. These are individual assignments. Participation during case discussions is expected.

Feb 27 – ZipCar. At Zipcar, customers share the use of cars and, as a result, rely on each other for their service experience. Customers are required to keep the car clean and the gas tank full and to return the car on time. Told from the perspective of two customers: Sal Fishman, who has a car and is running late at an interview, and Anita Karr, who has just arrived at her reserved car's empty parking spot. *Learning Objectives:* To challenge students to develop policies to address the lateness issue and, through this experience, learn about the use of normative and instrumental controls for influencing customer behavior.

Mar 13 – Zappos. On July 17, 2009, Zappos.com, a privately-held online retailer of shoes, clothing, and other soft-line retail categories, learned that Amazon.com, a $19 billion multinational online retailer, had won its Board of Directors' approval to offer to merge the two companies. Amazon had been courting Zappos since 2005, hoping a merger would enable Amazon to expand and strengthen its market share in soft-line retail categories. While Amazon's interest intrigued Zappos' senior executives, they had not felt the time was right--until now. Amazon's offer-10 million shares of stock (valued at $807 million), $40 million in cash, restricted stock units for Zappos' employees, and a promise that Zappos could operate as an independent subsidiary-was on the table. Zappos' financial advisor, Morgan Stanley, estimated the future equity value of an IPO to be between $650 million and $905 million; this estimate skewed the Amazon offer-at least in financial terms--toward the high end of Zappos' estimated market value. Hsieh and Lin, Zappos' CEO and COO, respectively, knew that much of Zappos' growth, and hence its value, had been due to the company's strong culture and obsessive emphasis on customer service. In 2009, they were focusing on the three C's-clothing, customer service, and company culture--the keys to the company's continued growth. Hsieh and Lin had only a few days to consider whether to recommend the merger to Zappos' board at their July 21 meeting. *Learning Objectives:* Explore the role of service design and culture in an organization.

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 also be an individual progress report and a team presentation mid-way through.

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 to be here for you. So show up, be polite, and participate.

Course Schedule

Jan 23, 2021 - *Service*
Lecture: Wirtz & Lovelock   Chapters 1, 2
                Chase (1978)

Jan 30, 2021 - *Service Marketing*
Lecture: Wirtz & Lovelock   Chapters 4, 5, 12, 13
Assignment: **Short Paper 1: Summary of Prahalad & Ramaswamy (2000)**
Guest: **Dan Russell, Google**

Feb 6, 2021 - *Service Operations*
Lecture: Wirtz & Lovelock   Chapters 8, 9, 10
                Glushko (2010)
Assignment: **Short Paper 2: Summary of Chase & Dasu (2001)**
Guest: **Bob Glushko, UC Berkeley**

Feb 13, 2021 - *Service Innovation and Design*
Lecture: Wirtz & Lovelock   Chapters 11, 14
                Normann & Ramirez (1993)
Assignment: **Short Paper 3: Summary of Kolko (2015)**

Activity: **Group Project Start**

Feb 20, 2021 - *President's Day*

Feb 27, 2021 - *Zipcar*
Lecture: Zipcar Case
Assignment: **Zipcar Case Prework**
Guest: **Matthew Matlock, ServiceNow**

Mar 6, 2021 - *Service in Practice*
Lecture: Wirtz & Lovelock   Chapters 6, 7
                Sawhney (2016)
Assignment: **Group Project Preliminary Report (Group)**
Guest: **John Sensiba, Sensiba San Filipo LLP**

Mar 13, 2021 - *Zappos*
Lecture: Zappos Case
Optional: Hsieh (2010)
Assignment: **Zappos Case Prework**

Mar 20, 2021 - *Uncommon Service*
Lecture: Frei & Morriss (2012)
                Campbell, Maglio & Davis (2011)
Assignment: **Short Paper 4: Summary of Dixon, Ponomareff, Turner & DeLisi (2017)**

Mar 27, 2021 - *Spring Break*

Apr 3, 2021 - *Service in the Wild*
Lecture: Kandogan, Maglio, Haber & Bailey (2012)   Chapters 1, 2, 5, 8
Assignment: **Group Project Preliminary Presentation (Group)**

Apr 10, 2021 - *Service Perspectives*
Lecture: Lovelock & Gummesson (2004)
                Vargo, Maglio & Akaka (2008)
Assignment: **Group Project Progress Report (Individual)**
Guest: **James Hall, Citizens Bank**

April 17, 2021 - *Service Science*
Lecture: Maglio et al. (2018)
                Maglio & Spohrer (2013)
                Spohrer & Maglio (2010)
Guest: **Steve Shackelton, UC Merced and the National Park Service**

April 24, 2021 - *Team Meetings*
Activity: **Group Project Review**

May 1, 2021 - *Presentation*
Assignment: **Group Project Presentation (Group)**

May 8, 2021 - *Report*
Assignment: **Group Project Report (Group)**