

OPTIMIZING SERVICE EFFICIENCY AND QUALITY THROUGH PRACTICAL SERVICE OPERATIONAL MANAGEMENT

Imam Wibowo

Krisnadwipayana University, Jakarta, Indonesia

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ABSTRACT

Keywords:

Efficiency, Service Quality, Service Operational Management.

This research aims to identify and implement operational management practices that can improve efficiency and service quality in the service sector. Increased competition in the service industry requires organizations to focus more on operational management to meet customer expectations and increase competitive advantage. This research uses a qualitative approach with descriptive methods. The research results show that implementing service operational management practices that involve in-depth identification of customer needs, investment in employee training, and use of information technology can have a positive impact on operational efficiency and service quality. Training employees and empowering them to contribute to operational process improvements demonstrates increased individual skills and responsiveness to customer needs. The use of integrated information systems and technology for inventory management and customer relations provides significant efficiencies in daily operations and strengthens interactions with customers. Overall, the results of this research confirm that a holistic approach to operational management can have a substantial positive impact on customer satisfaction and business sustainability.

E-mail:

wibowoimam253@gmail.com

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1. INTRODUCTION

Every organization, regardless of sector or industry, is faced with the demand to provide high-quality products or services. The process of creating a product or service is a critical foundation that shapes the image and sustainability of an organization (Milakovich, 1995). The high quality and benefits that a product or service can provide create a solid foundation for attracting customers. An organization's competitive advantage is reflected in its ability to deliver solutions that meet or exceed customer expectations (Woodruff, 1997). Therefore, a careful and focused product or service creation process is a vital first step in building a strong business foundation.

High quality products or services not only create customer satisfaction, but also have a positive impact on organizational performance. By attracting customers through superior products or services, organizations can increase market share, create customer loyalty, and gain sustainable financial benefits (Hoe & Mansori, 2018). The success of a product or service is not only measured from the financial aspect, but also from the positive impact it has on the company's reputation and image in the eyes of consumers (Ngambi & Nkemkiafu, 2015).

In increasingly tight global competition, organizations that are able to optimize the process of creating products or services with a focus on quality and the resulting benefits will become the dominant force in the industry (Porter, 1986). Innovation, market understanding and responsiveness to customer needs are key elements in this process. By making product or service creation a top priority, organizations can build a solid foundation for long-term growth, provide significant added value to customers, and remain relevant in a rapidly changing marketplace (Gupta et al., 2008).

Operations management is the backbone of an organization that seeks to take full control of the entire production process, ensuring that every step is carried out with maximum efficiency (Oakland, 2014). By focusing on planning, monitoring, and coordinating all elements in the production chain, operations management aims to achieve peak productivity. This process includes determining resource requirements, selecting appropriate technology, and developing strategies to improve performance (Kleindorfer et al., 2005). The result is a high-quality product or service that can meet and even exceed consumer expectations. By optimizing operations management, organizations are not only able to

increase their competitiveness in the market, but also make a positive contribution to business sustainability and customer satisfaction (Dumas dkk, 2018).

Service operational management is a critical element in realizing the process of creating high quality products or services. In this context, operational efficiency and effectiveness are the basis for organizations to provide products or services with the expected level of quality (Parker, 2012). Implementing careful operational management practices ensures that every stage of production or service provision runs smoothly, from planning, resource management, to final delivery to customers (Gattorna, 2017).

Service operational management also involves a deep understanding of customer needs and design of processes that are responsive to market dynamics (Den Hertog et al., 2010). Selecting the right technology, developing skilled staff, and optimizing workflows are integral parts of effective operational management. By integrating these aspects, organizations can ensure that every touchpoint with customers provides a satisfying experience (Garret, 2006).

In addition, service operational management also involves continuous monitoring and evaluation of operational performance to identify opportunities for improvement. The use of metrics and data analysis helps organizations identify efficiencies that can be improved and areas where service quality can be improved (Samson & Terziovski, 1999). Thus, service operational management is not only about maintaining competitiveness and efficiency, but also providing the basis for continuous innovation in the creation of products or services that are meaningful for customers (Brown et al., 2018). In this view, operational management is a key driver in maintaining competitive advantage and ensuring the organization's continued success in a dynamic market.

Literature Review

Services are economic activities that produce intangible products such as repairs, accommodation, transportation, insurance, housing, education, entertainment, lodging, government, finance, health and other professional fields (Awara & Anyadighibe, 2014). Service operation activities have many similarities, such as having quality standards, designing and producing according to a schedule so as to meet consumer demand, and being made in a workplace facility (Machuca et al., 2007). According to Johnston (1999), operations management contributes to concepts, tools and techniques that support key tasks in managing organizations such as design, delivery and control in service organizations. Management in the manufacturing industry that is used in service organizations, for example capacity management, management and control of service quality, work design, scheduling, service system design, choice and application of technology in services, inventory and queue control. According to Fitzsimmons & Sullivan (1982), service operations management is defined as a function within a service organization that interacts with customers and provides services to customers. Operations managers play a role in managing resources so that they can be used as efficiently as possible to achieve customer satisfaction within regulatory constraints and resource availability. Top of Form

Service operational management refers to the management discipline concerned with planning, coordinating, and managing operational activities in the service industry. It covers a number of critical aspects, including process design, human resource management, use of technology, information systems development, and a focus on customer experience. In a service context, operational management seeks to ensure efficiency and effectiveness in service provision (Borwn et al., 20180). This involves careful planning, proper operational implementation, and careful supervision to ensure that customer needs are properly met. Service operational management also pays attention to aspects of quality, flexibility and innovation to provide better services than competitors. Apart from that, service operational management also leads to customer relationship management strategies, improving operational processes, and implementing supporting information technology.

2. METHOD

This research utilizes a qualitative approach because it produces descriptive data in the form of writing about people or the words spoken and behavior observed. This approach is considered a "research procedure" which is expected to produce descriptive data in the form of written or spoken words from a number of people as well as observed behavior. Qualitative research methods are often known as naturalistic research methods because they are carried out in natural conditions or natural settings. Also, this method is often identified as an ethnographic method, initially widely used in research in the field of cultural anthropology. Moreover, it is called a qualitative method because the data collection and analysis is more qualitative in nature (Yulianah, 2022). This research is also classified as a descriptive research type, which aims to describe the research object based on its characteristics. Qualitative

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descriptive research is directed at a deep understanding of phenomena through data collection. If the data that has been collected is considered sufficient to explain the phenomenon being studied, there is no need to search for additional samples. This research seeks to present responses to existing communication strategies based on data and observation results, involving data presentation, analysis and data interpretation. Researchers specifically create actor categories, observe symptoms, and record them in their observation books (Narbuko & Achmadi, 2007).

3. RESULTS AND DISCUSSION

The practical role of service operational management to optimize efficiency and service quality can be described in the form of points as follows:

Operational Process Design

Identification and design of critical operational steps is a crucial aspect in practical service operational management to avoid wasting time and resources. First of all, the first step involves an in-depth analysis of the entire production or service provision process. Management teams need to identify critical points in the value chain that have the potential for significant waste of time or resources. A deep understanding of each operational step helps identify inefficiencies that may have been overlooked.

After identification is carried out, the next step is redesigning operational processes. This design involves adjusting workflows to achieve maximum efficiency. This process may include reducing unnecessary steps, improving interdepartmental coordination, or using more advanced technology to automate routine tasks. These adjustments not only focus on time efficiency, but also identify ways to optimize the use of resources, including labor and materials.

The importance of this redesign is reflected in the practical implementation of service operational management. The use of methodologies such as Lean Six Sigma or Total Quality Management (TQM) can be the basis for ensuring that every operational step is not only efficient, but also in accordance with established quality standards. By detailing operational measures and adapting them according to needs, organizations can achieve operational efficiency without sacrificing service quality.

In practice, careful operational design not only avoids wasting resources, but also increases customer responsibility. Efficient and effective processes ensure that organizations can provide services that are faster, more accurate, and more responsive to customer needs, ultimately increasing customer satisfaction and making the organization more competitive in the marketplace.

Improved Service Quality

A deep understanding of customer needs is the main basis for designing responsive and effective operational processes. This process begins with a thorough analysis of customer preferences, expectations and problems faced. The management team needs to conduct customer surveys, analyze feedback, and use market data to form a comprehensive understanding. Identifying customer needs is not only limited to the desired product or service, but also includes factors such as user experience, speed of service, and after-sales support. With this deep understanding, organizations can design more responsive operational processes, anticipate customer needs, and proactively provide solutions that meet their expectations.

Furthermore, employee training is a critical step in bridging the gap between understanding customer needs and implementing superior service. This training involves an in-depth understanding of customer profiles and characteristics as well as equipping employees with the necessary interpersonal skills. Employees need to be trained to quickly identify customer needs, provide effective solutions, and provide service that exceeds expectations. In addition, this aspect of training also includes developing communication and empathy skills, so that employees can form positive relationships with customers and deal with situations that may arise in an efficient manner.

In practice, responsibility towards customers is not only translated as customer service responsibility, but also becomes an integral part of all operational processes. Organizations that are able to embrace a deep understanding of customer needs and train employees effectively can create an environment where every stage of the process focuses on providing added value to customers. Innovation in products or services, improved quality, and increased customer satisfaction are direct results of combining customer understanding and employee training.

Ultimately, implementing responsive operational processes and superior service creates a positive feedback cycle. Satisfied customers tend to become loyal customers, provide positive references, and contribute to an organization's positive reputation in the marketplace. Therefore, a deep understanding of customer needs and employee training are key elements in creating competitive advantage through practical and responsive operational management.

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Information Technology

The use of sophisticated information systems provides a strong foundation for practical service operational management, especially in the context of tracking and analyzing operational data. This information system is designed to collect data automatically from various points in the operational chain, including production processes, customer service and distribution. Through leveraging this technology, organizations can have better visibility into their operational performance, enabling real-time monitoring, identification of potential problems, and faster decision making based on accurate data.

Furthermore, the integration of information technology is key in managing inventory and customer relationships. With an integrated information system, organizations can monitor inventory levels more efficiently, optimize stock, and avoid inventory shortages or excesses that can impact operational efficiency. Additionally, the integration of information technology allows organizations to build rich customer databases, including preferences, transaction history, and feedback. This enables customer service that is more personal, responsive, and tailored to individual customer needs.

In practice, the use of information systems and integration of information technology brings multiple benefits for efficiency and service quality. Organizations can automate routine tasks, reducing the potential for human error, and increasing overall productivity. Deep analysis of operational data through information systems opens up opportunities for process innovation and continuous improvement. Integrated inventory management and centralized customer data enable organizations to better customize service offerings, respond to market changes, and ensure customer satisfaction.

The importance of utilizing information technology and system integration not only creates operational efficiency, but also produces services that are more adaptive and responsive to customer needs. By investing in advanced information technology, organizations can build a solid foundation to provide superior service, increase competitiveness, and create better customer experiences.

Responsibility to Customers

Identifying and understanding customer expectations is a crucial step in improving an organization's operational processes. The first step involves collecting thorough data regarding customer preferences, expectations and views of the product or service. In-depth analysis of customer feedback, satisfaction surveys and market data helps form a comprehensive understanding of what customers expect. Understanding these expectations not only includes the characteristics of the product or service, but also involves factors such as quality, speed of service, and interactions between customers and the organization.

Furthermore, to improve interactions with customers, organizations need to implement operational management practices that focus on customer satisfaction. This involves redesigning operational processes to be more responsive to customer needs and ensuring that every touchpoint with customers provides a positive experience. Implementing technology that facilitates effective communication and enables real-time feedback gathering is also part of this practice. Thus, operational management oriented towards customer satisfaction not only seeks to understand customer expectations, but also aims to create an environment that supports and enriches customer interactions.

In this context, implementing operational management practices that focus on customer satisfaction is not only reactive, but also proactive. Organizations can adopt an approach that involves customers in the process of product or service improvement and development. In addition, responsibility towards customers is not only the responsibility of the customer service department, but is the responsibility of all stages in the operational chain. By integrating customer satisfaction as a core value in operational management, organizations can ensure that their every decision and action is in line with achieving customer satisfaction and long-term business sustainability.

Employee Training and Development

Investment in employee training and development is a fundamental strategic step in practical service operational management. The main focus of this investment is to improve the skills and quality of services provided by employees. Through targeted training, employees can gain deeper knowledge about the products or services they offer, hone technical skills, and better understand customer needs and expectations.

In addition to improving individual skills, investment in training also includes empowering employees to contribute to operational process improvements and overall service quality improvement. Employees who are actively involved in process improvement have a better understanding of critical aspects of operations, allowing them to provide valuable input. This empowerment not only includes developing employees' abilities to provide constructive suggestions, but also giving them responsibility for implementing necessary changes at the operational level.

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Through active employee participation in process improvement, organizations can optimize operational efficiency and improve service quality. Employees who feel heard and contribute to process improvements will be more involved, have a high level of motivation, and feel they have full responsibility for the success of the company's operations. Thus, investment in training is not only a means to improve individual skills, but also an effort to build empowered teams and contribute positively to operational improvements and customer satisfaction.

4. CONCLUSION

Effective service operations management practices involve a series of critical steps. Identifying and in-depth understanding of customer needs and expectations is the main basis for designing responsive operational processes. Furthermore, investment in employee training and development is key to improving individual skills and service quality. Empowering employees to contribute to operational process improvements and service enhancements creates a collaborative and productive work environment. Utilization of advanced information technology and integration of technology for inventory management and customer relations plays a vital role in improving efficiency and quality of service. Integrated information systems enable organizations to monitor and analyze operational data more efficiently, while technology supports more accurate inventory management and more personalized customer relationships. With these overall practices, organizations can achieve operational efficiencies, improve service quality, and create positive customer experiences. Empowering employees to actively participate in process improvement not only creates a well-trained team, but also provides a boost to innovation and adaptation to market changes. Overall, good operational management not only optimizes processes, but also creates added value for customers, which in turn supports long-term growth and sustainability for the organization.

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