

Indian Institute of Management, Ahmedabad
Post Graduate Programme in Management

Second Year Elective

Area: Personnel and Industrial Relations

Course Title: HRM in service sector

Term: 5

Credits: 0.75

Instructor: Rajesh Chandwani

Course Objectives: Service sector accounts for a major proportion of GDP especially in the Indian context, and also in the developed world. While the major HR frameworks and concepts are based on and derived from the manufacturing sector, it is increasingly being recognized that these conventional concepts cannot be extrapolated to the service sector. The course aims to enhance the understanding of the HR issues and challenges in the service sector and to outline how these challenges can be overcome. The course will enhance the students' skill set to apply the theoretical knowledge to manage human resources in service sector.

The course will be based on case studies that highlight specific HR issues in the service sector, covering several domains such as healthcare, consulting, financial services, hospitality and education. It will require the students to apply their existing knowledge and understanding about HRM in the context of these specific domains.

Pedagogy

The case method will be extensively used for the course. This will be supplemented by presentations, guest lectures and industry visits.

Evaluation Criteria

S. No.	Evaluation Component	Weightage
1	End Term examination	30 %
2	Group assignments	40 %
3	Class participation	30 %

Special Requirement/Prerequisites and Eligibility: None.

Restriction on Class Size: 25-30.

Session-wise Plan:

Session no:	Session title	Case and readings
1-3	Introduction to service sector	Case: Aravind eye care system Readings:
	Understanding the ‘customer’ in the service sector	1. HR strategy and competitive advantage in the service sector 2. The truth about customer experience
	Understanding service work	Case: My week as a room service waiter at the Ritz Reading: Emotional regulation in the workplace: A new way to conceptualize emotional labor
4-5	Motivating the frontline employees in service firms	Cases: The Portman hotel company Reading: Putting the service-profit chain to work
		Cases: Harrah’s Entertainment, Inc.: Rewarding our people Reading: Firing up the front line
6-8	Organizational level issues in service firms	
	Person-organization fit in service sector	Case: SG Cowen: New recruits Reading: 21st Century talent spotting
	Organizational culture in services	Case: Calvetta Dining services, Inc.: A recipe for growth Reading: Leading by leveraging culture
9-13	Managing professional service firms	
	Understanding the professional in a PSF (Professional Service Firm)	Case: Cambridge consulting group: Bob Anderson Readings: 1. Who is a Professional? 2. Extreme jobs–The dangerous allure of the 70-hour workweek 3. Promotion to partner in professional service firms
	Knowledge management in PSF	Case: McKinsey & company: Managing knowledge and learning Reading: What’s your strategy for managing knowledge?
	Managing ‘star’ employees in service organizations	Case: Ron Ventura at Mitchell Memorial hospital Reading: The risky business of hiring stars
	Issues and challenges with performance in PSF	Case: The proposed merit pay program: Should the winners take all? Reading: Knowledge-worker productivity: The biggest challenge
14-15	Conclusion: Understanding the service value chain	Case: Raleigh and Rosse: Measures to motivate exceptional service
	Group presentations	Reading: Paradox of coordination and control

Suggested books for further reading:

1. Maister, D. H. (2007). *Managing the professional service firm*. Simon and Schuster.
2. Korczynski, M. (2002). *Human resource management in service work*. Palgrave.

Bibliography

Boxall, P. (2003). HR strategy and competitive advantage in the service sector. *Human Resource Management Journal*, 13(3), 5-20.

Rawson, A., Duncan, E., & Jones, C. (2013). The truth about customer experience. *Harvard Business Review*, 91(9), 90-98.

Grandey, A. A. (2000). Emotional regulation in the workplace: A new way to conceptualize emotional labor. *Journal of Occupational Health Psychology*, 5(1), 95-110.

Heskett, J. L., & Schlesinger, L. A. (1994). Putting the service-profit chain to work. *Harvard Business Review*, 72(2), 164-174.

Katzenbach, J. R., & Santamaria, J. A. (1999). Firing up the front line. *Harvard Business Review*, 77, 107-119.

Fernández-Aráoz, C. (2014). 21st Century Talent Spotting. *Harvard Business Review*, 92(6), 46-56.

Powerful, W. I. O. C. (2003). Leading by leveraging culture. *California Management Review*, 45(4), 20-34.

Nanda, A. (2002). Who is a Professional?. Division of Research, Harvard Business School

Hewlett, S. A., & Luce, C. B. (2006). Extreme jobs—The dangerous Allure of the 70-hour workweek. *Harvard business review*, 84(12), 49-59.

Morris, T., & Pinnington, A. (1998). Promotion to partner in professional service firms. *Human Relations*, 51(1), 3-24.

Hansen, M. T., Nohria, N., & Tierney, T. (1999). What's your strategy for managing knowledge? *The Knowledge Management Yearbook 2000–2001*.

Groysberg, B., Nanda, A., & Nohria, N. (2004). The risky business of hiring stars. *Harvard Business Review*, 82(5), 92-101.

Drucker, P. F. (1999). Knowledge-worker productivity: The biggest challenge. *The Knowledge Management Yearbook 2000-2001*.

Gittell, J. H. (2000). Paradox of Coordination and Control. *California Management Review*, 42(3), 101-117.