

DIRECTIONS FOR IMPROVING THE METHODOLOGY FOR ANALYZING THE EFFICIENCY OF SERVICE ENTERPRISES

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Abstract:

Asian service industries have grown up in last decade to a great extent. Asian economy is performing better in many countries over last few decades. Service industry is contributing significantly to the Asian GDP. The developed countries of the world are creating most of the jobs from service industries compare to other. The contribution in GDP of developed countries from service sector is about 60 to 80%. Service sector is one of the major contributors in economy of the European and American countries. The success of the industry is depends on various factors. Satisfaction of the customer is one of the major factors in service industry to be successful. Authors have presented the methods of enhancing the efficiency of service industries. The analysis of service industries is carried out depending upon the survey data and presented in this paper.

Keywords: *service industry, efficiency of service enterprises, methods of analyzing performance, performance of service industries;*

I. Introduction:

Various service industries have improved their performance in last few years while the other industries are still struggling to decide the roadmap for performance enhancement. Innovative activities and approaches are important for effective task completion in service industry [1]. Social enterprises are providing the solutions to solve the social problems thereby providing the needy services to the people who need it the most. These type of industries needs to be assessed on the social contributions rather than economic assessment [2, 3].

Economic performance of the industries is always a basis for evaluating the performance and effectiveness. Competition amongst the enterprises is around the price and non-price factors such as market share, quality of service etc. [4]. Industries are dealing with many challenges as far as, the performance is concern. In order to increase the efficiency of the system one need to consider these challenges as the opportunities to improve. The processes can be enhanced to better efficiency and the cost of the service can be optimized [5].

The organizational efficiency is the function of its processes. The enhancement in the quality is possible if the processes in the industries are set to optimum performance. Continuous improvement in the performance is achieved by means of multilevel analysis of the processes, the human resource, the management and the utilization of resources [6, 7]. The competitiveness can be defined for the service industries depending upon the classified evolution. The assessment helps in understanding the performance of the industry on several aspects which opens opportunities for enhancement [8].

There are several factors those affects the performance of the industries. Environmental factors needs to be considered one of the most negative impact making factors on performance of the small industries as these industries are not having any preventive arrangement for such situations. The cost of the service sometimes may increases due to environmental impacts on the resources [9]. Policy makers of the industries have to play a very crucial role in efficient working of industry in this competitive environment. The useful resources needs to be identified and utilized, with great planning to achieve the better performance of the industry [10].

With availability of the various tools to receive feedback from customer, it has become important to overcome the complaints raised in order to enhance the performance of the industry thereby gaining the customers trust. Customer is at the center of the processes in the service industries [11]. The case studies are presented by many researchers to decide the factors deciding the performance of the service industry. The performance parameters are different for different nature of services [12]. The various factors for assessment of service efficiency are as shown in figure 1 below.

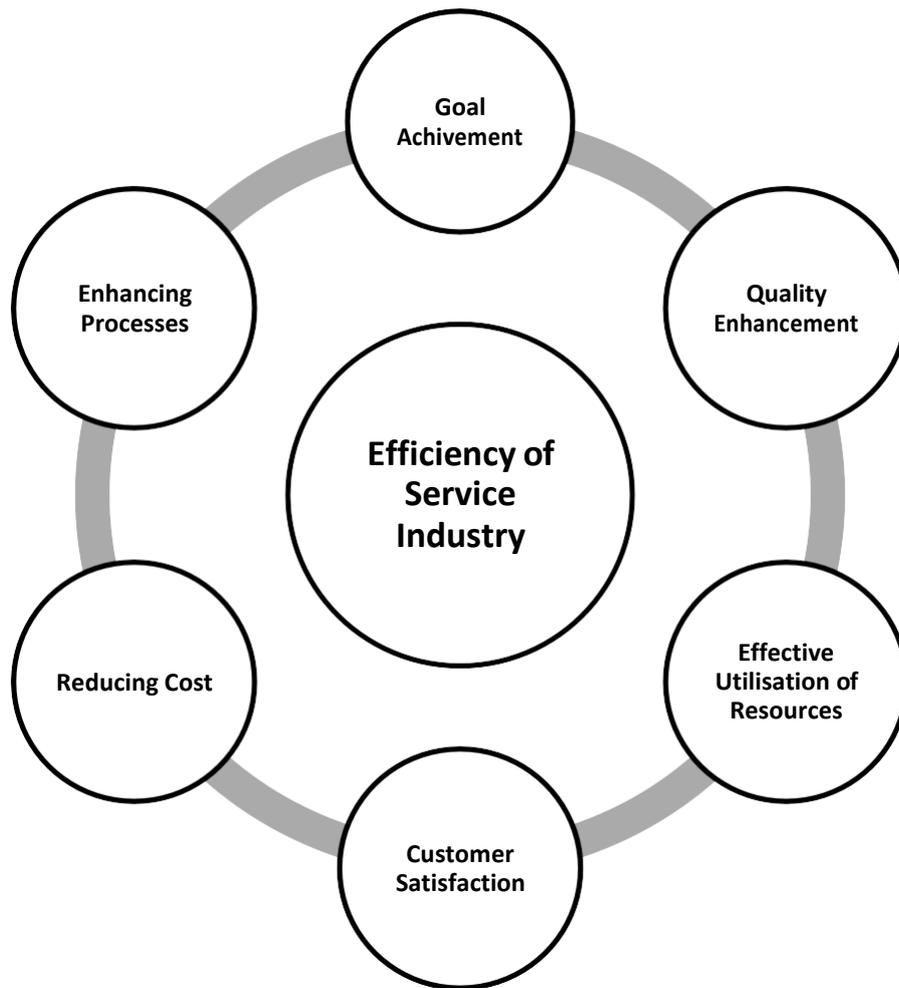


Fig. 1: Factors to Assess the Efficiency of Service Industry

The factors mentioned above are making impact on the efficiency of the service industry. Quality enhancement includes development of the service which satisfies the quality. The quality in service industry may lead to customer satisfaction with the service. The factors deciding quality are the cost, time, methods used and the reliability of the service.

In many service industries, it is observed that the resources are not utilized to the complete capacity. This leads to less efficiency and makes impact on performance of the industry. Over the period of time, the cost of the service needs to be reduced there by reducing the daily expenses. Process enhancement leads to improving performance of service industries. The financial and other goals achievement is ultimately very important for the industry.

Methodology of Research

The method to assess the efficiency of the service industry is always the challenging to implement. When it comes to production, one can easily check the quality of produced goods, number of items produced in particular period, the cost per piece and improvements in the process. When it comes to the service industry, there are no such parameters available which can directly measure the performance. The indirect parameter includes the feedback from different stakeholders. Authors have carried out the survey of stakeholder to come up with the areas of improvements to achieve higher efficiencies in the service sector. The results of the survey are presented in the result section.

Survey of the Service industry stakeholders

The survey was conducted in India, Uzbekistan and Indonesia through the emails and social media. 128 small scale industries were participated in the survey and about 470 people have been participated.

Survey Questionnaire 1: Survey of owners of service industries in Asian Countries

1. Name and address of the Industry.
2. Areas of services provided?
3. Contact person with designation.
4. Are you satisfied with the goal achievement in last 5 years?
5. Has the industry undergone through any process modifications in last 5 years?
6. Have to undertake any special measures for quality enhancement of the services provided over last 5 years?
7. Do you feel, the company is utilizing its resources to full of its capacity?
8. Do you take the customer satisfaction feedbacks?
9. Is there any process set to take the corrective measures to overcome the customer's feedback about the service?

Survey Questionnaire 2: Survey of customers about their experience with service industries

1. Name and address of the Person.
2. Areas of services utilized?
3. How do you rate the behavior and professionalism of the industry representatives?
4. How do you rate the timely delivery of work?

5. How do you rate the quality of service?
6. Are you satisfied about the value to your money spent?
7. Do you recommend the service to others?

Survey Results:

The results of the survey carried out are presented in the figure 2 below for the survey of industry owners.

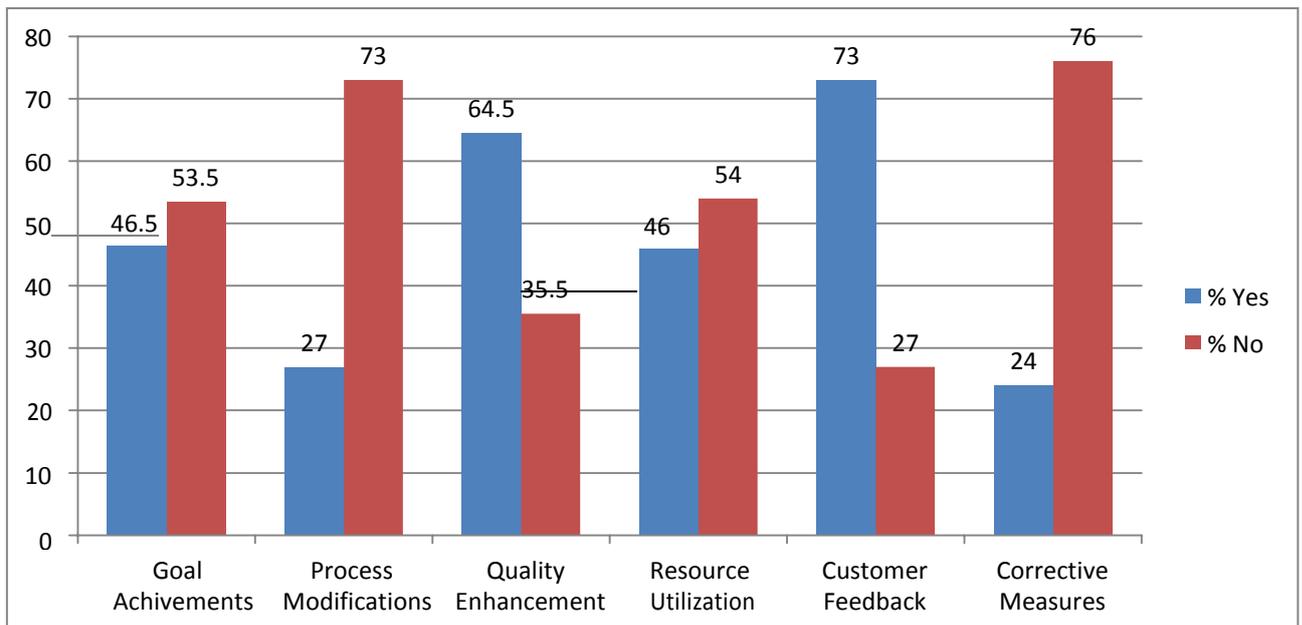


Fig.2: Results of Survey of Service Industry Owners

The result shows that, the industries are undergoing through the quality enhancement with reference to the customers feedback they receive. The industry is growing at good rate but the small scale service industries have not yet achieved the financial goals over last 5 years. The proper utilization of resources and the corrective measures to be taken on customer survey are the concerns to be addressed by these industries in coming time. Figure shown below represents the results of customer survey about satisfaction of the services they have availed.

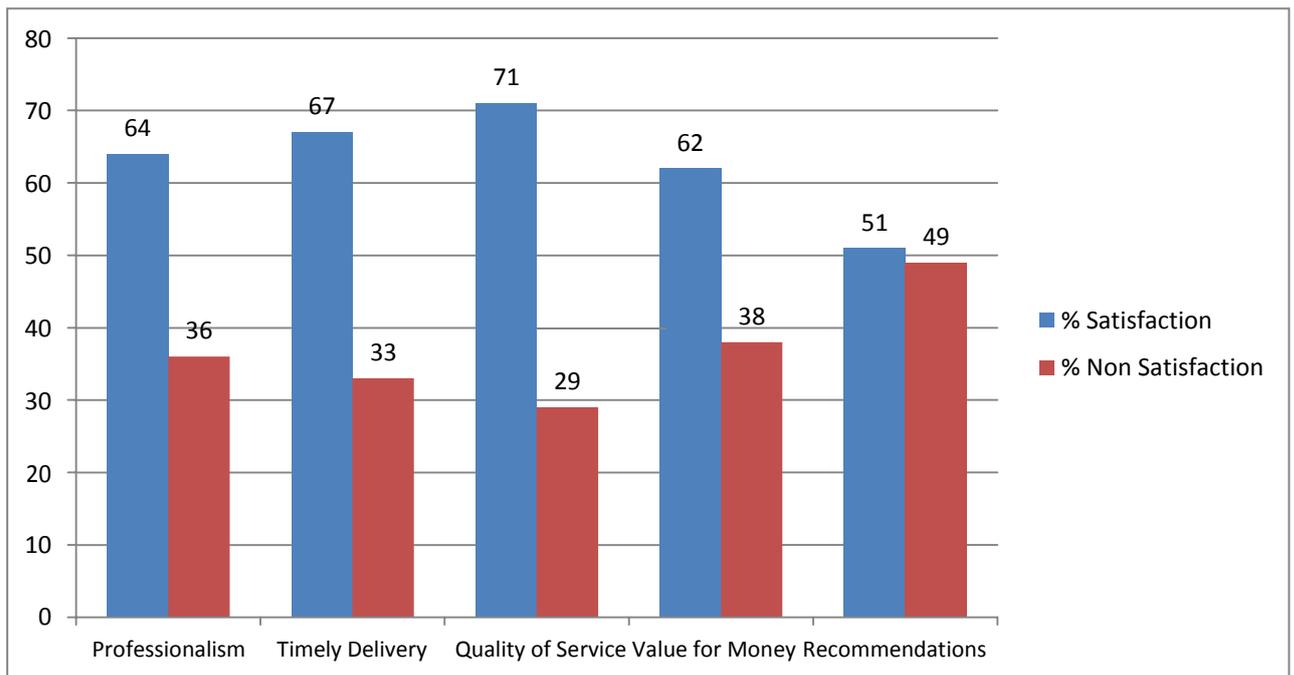


Fig.3: Results of Survey of Customers about the Service Industries

The survey of customers shows that the service industries are doing well as far as the customer need is concern.

Conclusion:

Authors have studied and presented the various factors deciding performance of service industries in Asia. The survey is carried out and the results are presented in this paper to understand the efficiency of the service industries. The result shows that, the small scale service industries are lagging in developing the ecosystem to address the customers issues related to the services. The internal processes are not being modified over the period of 5 years' time. This shows the need of analysis and improvement to be suggested for processes improvements in service industries.

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