



## BERJAYA BUSINESS SCHOOL

### FINAL EXAMINATION

Student ID (in Figures) : 

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Student ID (in Words) : \_\_\_\_\_  
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Subject Code & Name : **BGN2303 Service Quality Management**  
 Semester & Year : September - December 2016  
 Lecturer/Examiner : Mr. Philip Kwan  
 Duration : 3 Hours

#### INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
  - PART A (20 marks) : ONE (1) Mini case study question. Answer ALL questions. Answers are to be written in the Answer Booklet provided.
  - PART B (80 marks) : FOUR (4) Essay questions. Answer ALL questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

**WARNING:** The University Examination Board (UEB) of BERJAYA University College of Hospitality regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College of Hospitality.

**Total Number of pages = 4 (Including the cover page)**

**PART A : MINI CASE STUDY QUESTIONS (20 MARKS)**

**INSTRUCTION(S) : ONE (1) mini case study question. Answer ALL questions. Answers are to be written in the Answer Booklet provided.**

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**Kat Rent-A-Car**

Kat Rent-A-Car (KRAC) maintains a unique selling proposition in the rental automobile industry, describing its “greatest idea as personal service.” Kat Putra, the founder of KRAC said “We put customers first because if they are satisfied, they will come back. And, by making sure the employees are happy, well informed, they provide the best service possible. If we put the customers and the employees first the bottom line will happen.

KRAC claims to offer the perfect rental package, as symbolised by its now-famous wrapped car. The focus is on three key benefits for the customer:

1. Extraordinary convenience in the form of nearby locations and picking up and dropping off customers at their homes, office, or repair shops free of charge
2. Excellent rates made possible by the operating strategy
3. Exceptional selection of vehicles with something for every occasion

Focus on convenience is now facilitated by a network of offices located within 15 minutes of 90 percent of the West Malaysia population. Still, according to Putra, the focus is on the customer: “After all, other companies rent, lease and sell pretty much the same cars as Kat. The difference is, their business is cars and ours is people; which explain why so much of our energy goes into recruiting, hiring, and training.”

KRAC faces competition from a variety of sources, most notable of which are the traditional airport car rental companies such as Avis, Hertz, and Budget. Now that KRAC has become the industry leader in terms of fleet size and market presence, management faces the challenge of maintaining its performance level.

**(SOURCE:** Adapted from Fitzsimmons (2015). 8<sup>th</sup> Edition. McGraw-Hill.)

1a. Describe what features of its business concept allow Kat Rent-A-Car (KRAC) to compete effectively with the existing national rental car companies?

(10 marks)

1b. Use the service profit chain to explain the success of Kat Rent-A-Car (KRAC).

(10 marks)

**END OF PART A**

**PART B : ESSAY QUESTIONS (80 MARKS)**

**INSTRUCTION(S) : FOUR (4) essay questions. Answer ALL questions. Answers are to be written in the Answer Booklet provided.**

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1a. Identify and illustrate the challenges in implementing cultural change towards total quality.

(12 marks)

1b. Describe **FOUR (4)** strategies you would use to establish a quality culture in your organisation.

(8 marks)

(Total: 20 marks)

2. Service guarantees are an effective and valuable management tool. Explain why the hotels should embrace the strategy of a service guarantee and identify **SIX (6)** major benefits of practicing these strategies.

(20 marks)

3. Evaluate how to design for self-recovery when self-service failures occur and briefly explain the organisational and marketing implications of a customer as a "partial employee".

(20 marks)

4. Discuss **FIVE (5)** essential steps of providing effective and coordinated service system to the service industry.

(20 marks)

**END OF EXAM PAPER**