

Services simulation report



**ASSIGN
BUSTER**

1. Customer Satisfaction pertains to the pleasure or contentment that consumers experience when they are provided with particular goods or services. Perhaps based on obtained knowledge as well as experience in being a customer myself, the key driver of customer satisfaction is the ability of available goods and services to fulfill the basic needs of the customer. Although the needs and wants of the customers are one of the primary concerns of business organizations, it is an established fact that the needs will always come first before the wants since the former is most valued by the consumer. It is very important for consumers to receive goods and services that they need when they need it. Aside from this, customers are also satisfied when they are able to get what they need at reasonable prices, within a sensible time-frame, in their utmost quality.

In the simulation, the problems concerning this issue had something to do with customer complaints about the delays in their receipt of their orders. This was caused by the employees' inability to meet the demands of the clients due to their working conditions causing them to quit. This problem was addressed by continually hiring personnel to fill in the position of the employees who quitted their jobs. 2.

Profitability refers to the condition of a business organization that allows it to gain revenue from business operations and proceedings. Based on the simulation, I think profitability is influenced by numerous factors, from the enthusiasm and dedication of the work force to achieve organizational goals and objectives as well as their knowledge, skills, and competencies in delivering their roles and responsibilities toward the organization, the proper allocation of resources in order to secure the primary needs that sustain the

profitability of the organization, the management of plans or projects for the organization, and customer satisfaction. In the simulation, the factor or feature of the business that have affected profitability the most was the allocation of available resources. Although greater amounts of funds were allocated to equipment and there were salary increases, customer satisfaction was not maintained affecting the client base of the organization, consequently leading to lower profit. Resources could have been used to cover the problems in production, including the hiring of additional workers in order to lighten the work loads and accomplish higher percentage of work to get the tasks done for customer satisfaction that will lead to an increase in the organization's profit. 3.

Variable costs constitute the business organization's expenses that are changed depending on organizational activities and operations in terms of the rate and quantity of production or the rate of purchases. Fixed costs on the other hand are expenses by the business organizations that do not change along with the changes in the production level and total amount of sales. In the simulation, variable costs include the rent paid for storage space of inventory and the resources allocated to equipment. In February, renting an extra space was required because the increased production of parts. The situation necessitated additional space in order to house extra parts.

This is a variable cost since the space that will be rented and the amount of money attributed to it depends on the rate of production of parts. Another variable cost is the expenses allocated for equipment. In May, the expenses allocated to equipment were decreased in order to give way to other

priorities of the business. On the other hand, fixed cost includes the salary of the employees. Although there were increases in the salary of the employees to encourage productivity, it was not directly related to the rate of production or the amount of sales.

It is related to the performance of the employees. 4. The statement of the author that suggests the importance of hiring the right person to accomplish the roles and responsibilities within the organization is agreeable because the operations and production of the organizations is highly dependent on its work force. Without the employees, the organization will cease to continue its operations. Therefore, it is important that the organization hires employees that are highly knowledgeable and efficient to complete particular roles and responsibilities within the organization. The requirements of particular jobs or positions within the organizations should be matched, if not surpassed, by employees that will be hired to work for the organization.

If not, then particular tasks and responsibilities will not be fulfilled, leading to the failure of the organization to achieve its goals and objectives, consequently leading it to its decline. However, organizations should not only consider the knowledge and skills of employees when hiring them, but also their behavior or attitude towards work. In the simulation, the employees have been frequently calling in sick and some of them quit in only a short period of time. Although the organization might be partly blamed, their behavior towards work has affected their performance. This establishes the reason why employees should be hired in terms of their cognitive abilities,

skills, as well as behavior to complete the tasks and responsibilities expected of them.

5. Shifting the allocation of resources to promotion of employees was one of the decisions that resulted to success. By doing so, I was able to help employees feel secure in their position within the company, providing them the opportunity for career growth and development. On the other hand, the organization was able to hire new employees in order to fill in vacant positions caused by those who quit and the promotional program of the organization.

The result was increased productivity and involvement with the tasks and activities that the organization necessitates its employees to complete. The allocation of resources was controlled, ending the needless overspending on equipment. It was used to improve worker productivity and efficiency which consequently led to the successful accomplishment of organizational goals and objectives. On the other hand, perhaps the increase in the salary of the employees has led to the organization's decline. Although the purpose of the wage increase was to motivate the employees to be productive and efficient, it did little to meet the objective. Employees continued to quit and most of them frequently called in sick.

The issue concerning the employees could have been addressed with the establishment of collaborative relationships with them through open communication. Salary increase has not helped in addressing the problem but has only led to overspending. 6. Obtaining the goal of the simulation – that is, customer satisfaction and maximized profitability – could have been

achieved if there was more time available to develop the organization. From the start, the organization was in a bad shape. Restoring the conditions of the organization in order to foster growth and development through customer satisfaction and profitability will not take only a year to complete.

The first year was only spent in determining the flaws of the organization and the needs or requirements in order to propel it for improvement.

Perhaps the organization still needs six months to one year in order to implement new programs, projects, and policies to correct the mistakes that have been identified in the previous year, from setting the appropriate salary, establishing desirable and communicative relationships with the employees, efficiently planning the allocation of resources, and hiring new employees.