

3. Select a service organization of your choice, and identify its particular patterns of demand with reference to the checklist provided in Table 9.1 and answer: (a) What is the nature of this service organization's approach to capacity and demand management? (b) What changes would you

recommend in relation to its management of capacity and demand and why?

TABLE 9.1 Questions about Demand Patterns and Their Underlying Causes

1. Do demand levels follow a predictable cycle?

If so, is the duration of the **demand cycle**

- One *day* (varies by hour)
- One *week* (varies by day)
- One *month* (varies by day or by week)
- One *year* (varies by month or by season or reflects annual public holidays)
- Another period

2. What are the underlying causes of these cyclical variations?

- Employment schedules
- Billing and tax payment/refund cycles
- Wage and salary payment dates
- School hours and vacations
- Seasonal changes in climate
- Occurrence of public or religious holidays
- Natural cycles, such as coastal tides

3. Do demand levels seem to change randomly?

If so, could the underlying causes be

- Day-to-day changes in the weather
- Health events whose occurrence cannot be pinpointed exactly
- Accidents, fires, and certain criminal activities
- Natural disasters (e.g., earthquakes, storms, mudslides, and volcanic eruptions)

4. Can demand for a particular service over time be disaggregated by market segment to reflect such components as

- Use patterns by a particular type of customer or for a particular purpose
- Variations in the net profitability of each completed transaction