6 Steps to Maximize Service Level Management

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FIELD SERVICE MADE EASY

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The easiest place to begin a discussion about effective service level management is, well, to understand exactly what it is. At its most basic, service level management is the process of connecting IT operations back to the end customers of a company. This has increasingly become a much bigger deal in the past decade, even internal to organizations -- for example, most marketing departments used to exist in their own silos as marketing departments. Now, when you add in tools like website development, server maintenance, e-mail automation, and more, marketing has increasingly become dependent on IT. That relationship barely existed a decade ago, and now it's crucial to marketing meeting its goals.

The word 'relationship' is important here, because even when you discuss IT serving the end customer, that too is a relationship -- and relationships are forged by expectations being met with trust. That's the heart of service level management:

- You have customers
- You make promises to those customers
- Those customers expect the promises to be met
- IT operations must help deliver on those promises technologically
- This builds customer relationships
- That drives your revenue and growth

We slightly over-simplified it in those bullet points -- other aspects of a field service organization also drive customer relationships, like the work of the field techs directly with the customers -- but having effective service level management is crucial.

So, how exactly do people maximize their service level management processes?

step 1:

Set Goals

At its essence, service level management is about taking IT (often a very specific silo that focuses on tech) and aligning it correctly with overall business needs, which CIOs and CEOs often love (assuming it's done correctly). The absolutely, positively first thing you need to do for effective service level management is set goals, and make sure those goals are aligned to business goals -- otherwise, everything you do after that point will be rooted in the wrong priorities, and thus potentially unnecessary work. The goals will vary by organization, but some general examples include:

- Network uptime
- Response time on customer complaints
- Website speed
- Percentage of successful e-commerce transactions
- Turnaround time on break-fix machinery problems

As you can see, that runs a gamut in terms of what service level management needs to consider -- you don't want your website down (an IT issue), but you also want to make sure your techs can quickly respond to an on-site customer with a broken product (also an IT issue, although a very different one). The scope is fairly wide, which can make service level management challenging.

step 2:

Link Goals to KPIs

KPIs mean 'key performance indicators.' At this stage, you're taking the goals set above -- and you're trying to figure out how best to measure those goals, in the interest of understanding whether you're successfully meeting them. Again, KPIs vary by organization -- and obviously they vary by what goals you've set -- but some common KPIs for service level management tend to include:

- Response times
- Resolution plans
- Resolution times

'Response time' is different from 'resolution time.' The first one means 'how quickly you responded to an incident with a customer' -- in terms of setting in motion the process of fixing the problem. 'Resolution time' means 'how long it took to actually resolve the issue.'

Quick but important point here: in field service management over the past few years, there has been an increase in the use of Internet of Things and predictive analytics. That means devices (i.e. machines) are connected to the internet and can send data on their performance back to the field service management hub, and in turn, the field service management team knows to service that equipment before the customer even has to make a call. In that type of situation, 'response time' is no longer a KPI -- although 'resolution plan' and 'resolution time' still are (even if you're getting data directly from a machine, you still need to fix the machine if it's broken).

step 3:

Measure the KPIs

At this point you have goals -- tied to the business overall -- and you have KPIs, or the ways to measure those goals. Remember: KPIs are a 'what' -- i.e. 'what you're going to measure.' The next step is how you're going to measure those KPIs tied to those goals.

The most effective approach is usually a fully integrated field service management software tool, because such a tool allows you control over:

- Customer data
- Sales prospects
- Invoicing
- Scheduling
- Dispatch
- Inventory

With everything in the same system, you can set up benchmarks tied to your KPIs -- for example, if you want resolution time to be under six hours, you can code that into the software at the IT level. When a new work order is opened, it's essentially now recording the exact number of minutes until the tech marks it as resolved and the case is invoiced. You'll be able to see, within your software tool, whether you beat six hours or not. It almost seems like something out of Mission: ***Impossible***, but it's just the day-to-day of field service management. Fun, right?

One key with software solutions is making sure there's adaptability over your KPI tracking and monitoring and reporting. You don't want to get put in a box on what you can do or how you can report it -- because chances are your senior leadership team will want to consider things through different prisms, and you need a system with the flexibility to provide that.

step 4:

Build Out a Library of Resources

The ITIL best practice framework (Information Technology Infrastructure Library) is an important industry benchmark for service level management; whenever you build up a service level management operation, you need to keep the best practices in mind. You're also attempting here to build out your own library, which means you need robust data on customers and contracts and resolution times. That's possible with by-hand paperwork, but it will drain a ton of time (and thus other resources) from your staff. It's more effective with a software solution, typically.

The other important aspect of building out your own library of service data is integration with current business practices, with ***integration*** being the key word there. Many field service companies or divisions were spun off as their own revenue centers as part of 'servitization,' whereby companies that had been focused on selling products decided to offer service packages as well (additional revenues and margins). When field service hubs became revenue centers, one of the biggest hiccups for them was not integrating with existing business practices and processes -- organizations tend to take their processes very seriously, so going off and creating brand-new ones won't endear you to anyone.

One of the most functional aspects of FSM software within service level management is the ability to integrate existing business practices with field service. At the most basic level, you want everyone in a company using the same language, looking at the same information, and reporting KPIs the same way. Without that, information is disjointed -- and that's going to make senior decision-makers unhappy and make your priority-setting very unclear. Both are avoidable as you develop your service level management processes.

step 5:

Decide on a Reporting Framework

This is a crucial step that field service organizations often miss. Service is priority No. 1, of course -- and making sure you're collecting and integrating the data is 1A. But if the service is happening and data is being captured about the service, what good is it if the data just stays in the software tool?

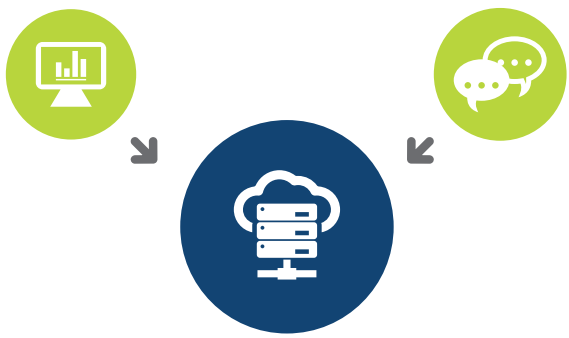
You need to report on data, but that brings up a whole host of other questions:

- Who is receiving the reports?
- How often do they happen?
- How are they presented?
- Is the focus more visual?
- At what point (if any) will the whole staff of the organization have access to the data being collected?

These answers will vary by organization, but here's one tactic: you can usually assume that, aside from people in data-specific roles and perhaps senior executives, many people are often confused by how to interpret large sets of data (schools don't often train on this, unfortunately). As a result, you need to find a way to contextualize the data you have -- by that, we mean:

- What does this information say?
- What does that mean about how we can make decisions going forward?

The only reason to collect data in a business is to drive decision-making, so if you're presenting data just for the sake of presenting it, that misses the point. It needs to consistently be tied to decision-making.



step 6:

Consistently Re-Evaluate

Technology changes very fast, obviously. Your business needs will evolve as well. Service level management is not -- and will never be -- a static enterprise, where you set up a bunch of processes and say "OK, we're done here." It will constantly evolve: executives will want new data and new ways of looking at things. New KPIs will emerge. New software add-ons will be needed. The final stage is perhaps the most important: don't rest on your laurels. Evaluate your systems and processes quarterly, if not every month. Make sure you're on track for what the business needs to do to succeed.

If you have questions about any of this, feel free to contact us -- we specifically tend to work with smaller field service organizations, although we have the capability to discuss service level management and general field service questions with anyone. We'd love to hear from you as you build out your FSM team into a true profit generator.

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