



# Prepare for 2017



## How to Prepare Your Field Service Organization for 2017

Companies typically do their strategic planning for the following year near the end of the third quarter. If you run or manage a field service organization and are beginning to consider your needs and goals for 2017, this eBook might be for you. It will walk you through different ideas, concepts, and approaches to consider as you plan for 2017.

- ✔ We'll approach this from a few different perspectives:
- ✔ Internal Goals and Priorities
- ✔ Metrics
- ✔ Future Considerations
- ✔ Intangibles and Employees

Onward!



## Internal Goals and Priorities

At the end of 2015, MIT's Sloan School of Management did some research on organizational priorities. The research covers 11,000 senior executives at 400+ companies, including many service businesses. One of the most astounding facts was that 67 percent -- 2 in 3! -- of the senior managers could not name one or more of the company's main priorities. Microsoft has done research, presented in an article called "The Paradox of Workplace Productivity," that shows a similar lack of priority in many different types of companies. So, the first thing you need to be doing for 2017 is determining what exactly your goals and priorities are. For most field service organizations, it looks like this:

- ✔ Retain existing clients and service-level agreements
- ✔ Grow new clients through referrals and other means
- ✔ Keep costs down
- ✔ Drive revenues up

Those are four basic areas that many FSOs define as goals. The individual items will vary based on what specific type of field service you provide -- but regardless of whether you're an electrician or have an HVAC company, you need to be growing and keeping costs down. Those are universal goals for most FSOs.

One of the easiest ways to do that is to simplify -- yes, simplify, despite the current complexity of business -- how you get things done. You don't want more and more processes and checkboxes; you actually want less. And you don't want information in only a few hands; you want it in more hands and minds because "information transparency" allows for better decision-making and quicker reaction times to client needs.

**For an FSO, the easiest way to move toward simplification and integration is to use field service management (FSM) software. In this one software suite, you will find all the core areas of your business, e.g.:**

- ✔ Scheduling/Dispatching
- ✔ Customer data
- ✔ Sales leads
- ✔ Technician skill sets
- ✔ GPS and mapping
- ✔ Inventory
- ✔ Invoices

When everything about your business is managed from the same area (e.g. an FSM software suite), your business runs more effectively. Plus, as we're about to discuss, data and information are major competitive advantages in the modern world -- and FSM software will help you with that, too.



## Metrics

There's an important distinction to make here before we get going on this section. There are "business metrics" and there are "vanity metrics," and oftentimes FSOs can confuse the two.

Business metrics are KPIs that actually show how your business is growing (or stalling). They are elements that you track that really help explain your business. An example might be revenue per technician, or invoiced jobs vs. completed jobs.

Vanity metrics are metrics that you track because the end result number is bigger, and as a result, it will look better to a senior decision-maker. Ultimately, though, these metrics mean nothing. For example, let's say you tracked the number of miles that a technician drove in a month. You might present this to your boss and say, "Our technicians cover so much ground!" Of course, anyone in field service should realize that technicians in trucks as opposed to in front of customers equals lost revenue. That's a "vanity metric."

When you use FSM software, you can create and analyze dashboards based on your main KPIs. This also helps break down walls and provide information transparency. In older business models, maybe one to two people handled data and information in an FSO. With FSM software, a senior decision-maker can be in line for coffee in the morning, open an app, and see dashboards showing business performance across a number of KPIs. That's powerful.

**Now, the specific KPIs you track will be relative to your business model, but some solid field service examples include:**

- ✔ First-time fix rate
- ✔ Extra quotes or orders by technician
- ✔ Percentage of billable hours
- ✔ Number of work requests
- ✔ Number of overtime hours
- ✔ Customer retention

That's just scratching the surface. There are more KPIs you can track and analyze. The point is: If you haven't been embracing data, information, and real-time KPIs and dashboards, 2017 is the time to begin.



## Future Considerations

Here's an amazing statistic: Somewhere between 30-37 percent (about 3 in 8) of field service organizations are still primarily paper-based. We know change is often hard, but being paper-based in an era of this many technological solutions means your FSO is a step behind. In this case, the first step would be to consider some of the above: namely, research and invest in FSM software. We can help!

The reason you need to get to FSM software now is because field service is changing quickly, and FSM software might be somewhat outdated in five years. Here are some factors emerging in field service to be aware of (and again, this just scratches the surface):

- ✔ **Connected devices:** There should be 80 billion connected devices in the world by 2025, if not sooner. Connected devices will radically change field service because now the devices themselves can send performance data to an FSO. Instead of the client calling you and saying, "This machine is broken," you'll already know. The shift will be toward predictive or preventative maintenance, which right now only happens in down-seasons.
- ✔ **AI and VR:** Artificial intelligence and virtual reality will change field service greatly. One of the easiest applications is training (how to teach a technician to fix a specific machine with VR, for example), but there are others -- including using chatbots or messenger apps for customer service.
- ✔ **Drones:** Imagine what drones could do for your FSO in terms of getting intel on hard-to-see/reach machines at client sites.
- ✔ **Resource scheduling optimization:** If your scheduling is tied to machine-learning and driven by an algorithm, the computer can essentially design a "perfect week" for technicians to move between appointments with the goal of maximizing revenue. All of these concepts are already beginning to take hold at some level, and in five to ten years, they might be the norm. So when you plan for 2017, do so with an eye toward these ideas. You need to make sure your rate of technological adoption is strong. As technological solutions continue to arise, you'll need that quick adoption to keep up in your local market.



## Intangibles and Employees

With so many changes to the field service world, it's really important to retain your employees. First of all, they could go to local competitors -- and take some of your knowledge with them. (That's bad.) Secondly, losing any type of knowledge in a fast-moving, client-driven environment is bad. You want to retain employees and technicians. A few quick tips on that:

- ✔ **Recognize them:** When they excel, do something above and beyond for them. The common excuse is "I don't have time" or "It will cost too much" or even "They are supposed to be good at their jobs," but all those excuses miss the point. Human beings are social animals and want to be recognized by others for a job well done. If you do this, they are more likely to stay.
- ✔ **Don't run them in circles:** Field service work is challenging. Clients are always calling with new needs, and everything is urgent. If employees and technicians feel like they are constantly running in circles, they will get burned out and want to leave. Give people a break once in a while -- days off, for example, or clearly explain to them, "This project is urgent, but this one can wait."
- ✔ **Converse with them:** Everyone who works at your FSO has ideas on how it could be better, more productive, and make more money because they work there every day and interact with the processes and people. Go talk to people. Listen to them. What are their ideas? Their suggestions? Make it an open, collaborative environment.



And now, for some intangible factors:

- ✔ **Strategy on a page:** This is similar to an “elevator pitch.” Basically, everyone in your company should be able to list the value of the company, what the FSO is trying to achieve, how you work with customers, and the overall strategy if asked by a potential client or lead. You need to simplify your mission and strategy down to a one-page document that everyone can understand. You never know where growth might come from, and it’s easier to arrive at if all of your people are tasked with knowing the big picture.
- ✔ **Marketing:** Conventional field service marketing has been about trade shows and ads for decades now. It’s time to evolve through email, PPC, social media, landing pages, messenger apps, and more. Talk to an agency. (We know a few good ones.) Talk to people you know in marketing. Figure out the next steps you want to take.
- ✔ **Overtime:** There are new overtime rules impacting many field service industries in 2017. This is actually less intangible because if you manage this improperly, it can hit your FSO at the bottom line. Learn the rules, know who is responsible for it internally, and make sure you are compliant with the existing guidelines. If being compliant requires some adjustments to scheduling, that’s honestly all the more reason to consider FSM software

The above just scratches the surface of 2017 planning, but it’s a good jumping off point and guide. If you have any additional questions about concerns specific to your business, [let us know](#). We love to help FSOs set a direction.



