



Retain Field Service Techs Without Spending Money



Employee turnover costs are sometimes hard to calculate relative to different industries, and field service is no different. The exact costs of losing a technician will vary by a bunch of factors, including:

- Your market
- His or her compensation level
- His or her experience level
- How quickly you can find a replacement
- Your customer/client load at the time
- What season the turnover took place in

In general, though, a departed technician <u>usually means six to nine months of his/her salary as a cost to find a replacement</u>. If you had a technician making \$50,000, then, the replacement search could run from \$25,000 to over \$36,000. (In fairness: <u>other research has it closer to \$10,000 total</u>.) Remember: That's just the replacement cost. There are still somewhat more intangible questions, like:



Once the new technician is hired, how long until he or she gets up to speed? What's his or her level of expertise?

Will your current customers respond favorably to this person?

When you add up this entire picture, turnover is almost universally bad for a field service organization -- and especially a small business FSO, which can less afford to lose quality people.

OK, so we've established one idea now: you want to prevent turnover. You don't want to lose technicians.

Here's the new wrinkle: Let's say you are a small business. You want to prevent this turnover but ... you can't necessarily afford to spend a lot while doing it. In other words: The answer to "prevent turnover" can't immediately be "raise salaries."



We have some good news for you on this front: <u>There's some research from Indeed (a job board)</u> on the best places in North America to work. The research is organized by a whole host of factors, and according to Indeed's data scientists: "Compensation has the weakest correlation with overall job satisfaction score; company culture and quality of management have the highest."

There's a fascination with compensation in many societies, although research has repeatedly shown it's not necessarily the major thing people need from work. (Some research has argued that <u>making</u> \$75,000/year is better for personal happiness than being a millionaire.)

That's the good news: You can reduce turnover without spending a lot of money.

But how?

Give People Autonomy Over Their Work:

This is based on 2001 research from Paul Zak, who spends a lot of time studying oxytocin. (That's a chemical in your brain.) Oxytocin is deeply connected to this concept of "the science behind trust in the workplace," and Zak argues that people feel happier and more connected to work —and therefore less likely to leave — if they are given autonomy over what they get to do. In sum: No one likes a micromanager. Now, this is a little bit different in field service because obviously your scheduling/routing teams need to tell your technicians what to do every day (assign them work orders, basically). But what it means for FSOs is this: Don't be on your technicians about numbers and quotas all of the time. If hitting the numbers is important to you, that's fine. (It's important to almost all FSO managers/owners.) But maybe set up designed times every 1–2 months to discuss each technician's performance. If you're always discussing performance and metrics and trying to course-correct, the technicians won't feel like they have autonomy. They'll get disgruntled and likely eventually leave.





Encourage Work-Life Balance:

We've written a whole eBook on why work-life balance is important for field service, and you should download that to see some of the benefits. Towers Watson did some research recently that work-life balance can be the third-most important strategic advantage for a company (base pay and job security were higher). We won't belabor the points here, but your technicians have lives outside of being technicians. They have families and friends and other responsibilities, and they want to attend to those things. Let them. Most field service verticals are unique as businesses in that there's a great deal of seasonality so there are periods where technicians are working a lot —as well as periods where they can relax a little bit more. Embrace that. And think about this in your own life. In sheer financial terms, if you made \$60,000 and had a solid work-life balance and a good manager, and then someone came along and offered you \$80,000, would you take it? Some would, but many would not. If you know the extra \$20,000 in salary comes with a ton more work and less balance, you may be comfortable where you're at.

Have Better Management:

This is a hard one for most companies because **management is not intuitive.** What does that mean? People normally become managers by achieving goals/targets, usually in the form of financial numbers. When they become managers, they assume their responsibility is to make sure others achieve those numbers. That is partially right, but not entirely right. When you manage others, you are responsible for their workload and setting priorities -- and also understanding what else is happening in their lives and professionally. Most managers just want productivity and effectiveness, which is good -- but if you forget your technicians are also human beings with feelings/context around the work, you will end up aggravating them over time. They may leave. There's a "be more productive and make money" aspect to management, and there's a "humans and emotions" aspect to it too. The second side is hard to embrace for a lot of FSO managers, but you still need to try. Are we endorsing yoga or something? We're endorsing whatever works for you to make sure you manage your technicians as more than productivity targets.





Provide opportunities for growth:

More research! Globally, most people list "opportunities for growth" as the number one aspect they want from a job. That applies in service industries (e.g. FSOs) as well. It's possible that some people say "opportunities for growth" and really mean "a higher salary," and that needs to be considered here. But: think about how fast field service is changing. We're already seeing augmented reality, virtual reality, connected devices, and artificial intelligence enter our field. Those elements are going to have huge impacts on training technicians, and/or how we schedule technicians to different jobs. Some technicians on your team will want to learn more about these new technologies as your FSO embraces them. Let them. If there are online courses or local events about augmented reality, for example, let your technicians attend; pay for it. People want new skill sets in part because the speed of technology makes people feel as if they could be left behind in the job market. If you underwrite your technicians' quest for new skills, they will repay you with gratitude -- and likely not leave.

Don't waste their time:

Technicians should primarily be working with customers and doing fix and repair. If you're running them in circles on logistical tasks that your office staff could handle, **they will not feel respected** -- and quite probably leave. If they spend 10-12 hours/day at work, they want to feel as if those who help dictate their time have some respect for them. So, don't waste the time of your people.

The common theme here:

We could list more and more, and show more research, but we'll bring it back to a common theme. You keep your technicians (and thus keep experience in-house too) not necessarily by throwing buckets of money at them -- although who doesn't love a year-end bonus? -- but by treating them respectfully and allowing them to grow within their roles as they see fit. Basically? Be human. Productivity and growth goals are important, and should be achieved. But there's a human element to all this too, and embracing that side will decrease your turnover and your cost at the same time.